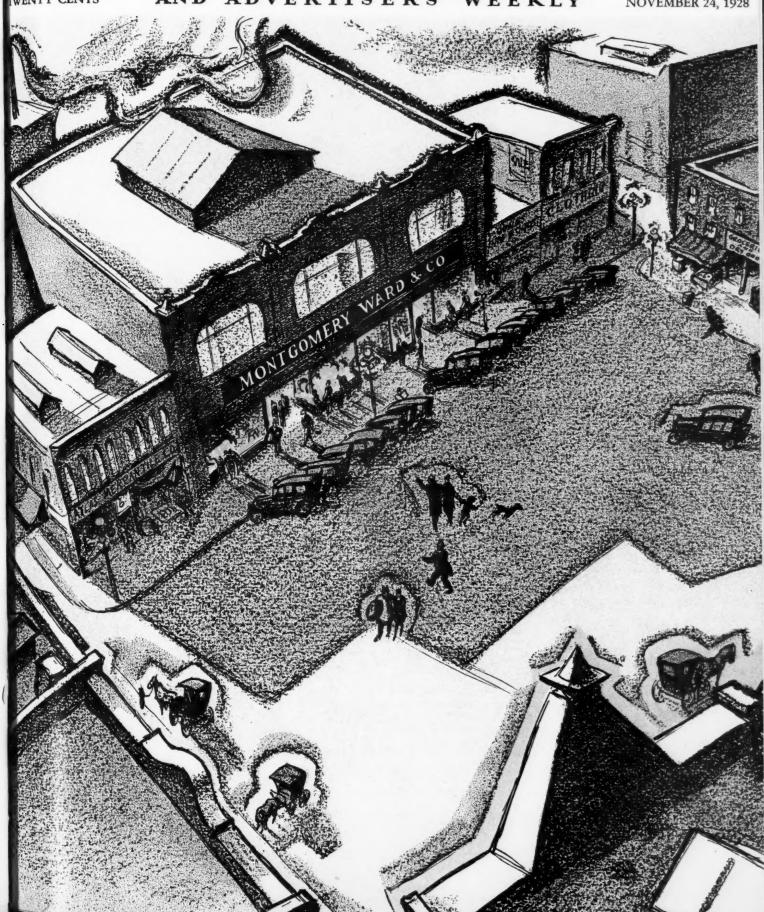
NOV 2 7 1928

Sales Management AND ADVERTISERS' WEEKLY

NOVEMBER 24, 1928





is the Sales Dollar Value

of your salesmen's time?

FORTY-FOUR hours a week is considered the maximum time a salesman can spend "on the street". Few salesmen spend it all-thirty to thirty-five hours is considered a good average. You know the average of your selling force. Multiply that average by the number of salesmen you have and divide the total into your average weekly sales volume. The answer is the average sales dollar value of a working hour of each of your salesmen's time.

But do you realize that only a small fraction-4% to 10% -of salesmen's working time is spent in actual constructive selling effort? The balance is lost between calls, waiting for interviews and explaining the purpose of calls.

For each 1% that lost time is cut down, the sales dollar value of each working hour is increased 10 to 25%.

Routing calls and inducing salesmen to work territories on unit plan is one way to cut down time between calls.

Another is to develop markets through direct mail advertising so that a salesman can keep up his quota in a reduced geographical area—with less traveling time and expense.

But the big cut in lost time can be made by reducing the waiting and explaining time. Here is where direct mail can be used to tremendous advantage. It will not only dig up live leads, but will reduce waiting time by introducing salesman and creating favorable impressions for his lineoftentimes resulting in definite appointments. Furthermore, if the mailing pieces clearly tell the story, the salesman will have less explaining to do. The prospect will have been partially sold before the salesman arrives, and the salesman can do that for which he is employed final persuasion and closing.

Thousands of concerns are showing a definite increase in sales by using Addressograph equipment and Addressograph methods to "pave the way for salesmen."

It's an interesting story. Let us give you all the details. Sales and service agencies in the principal cities of the world ADDRESSOGRAPH COMPANY, 901 W. Van Buren St., Chicago Canada: Toronto, Vancouver, Montreal.

European head office and factory: London, England.

Manufacturers of Graphotype, Addressograph, Dupligraph, Cardograph Copyright 1928 Addressograph Co. Machines for every size and kind of business. Prices from \$20 to \$4400.

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Sales Management

New York Office: 420 Lexington Ave. Chicago Office: 333 N. Michigan Ave.

CONTENTS

By Forrest Crissey	4/)
If You Want Repeat Orders Everybody Must Help Sell	478
An Outline of Mergers	480
Pot Shots at Some of Advertising's Sacred Cows	482
The President Writes to His Salesmen	484
Government Color Jury Prepares Verdict on Visibility	486
Campaigns to Be Launched in Industrial Markets	487
"Better Homes" Appeal Will Sell in Great Britain	489
The Advertising Gallery	-493
The Sales Managers' Book Shelf	494
Latest News of Sales and Advertising, Beginning on	500
What Do the Wholesalers Want?	520
Speeches Will Not Raise the Money, Mr Crowley	520
The Biggest Thing in Business	520
Tips for the Sales Manager	527

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Established 1918 by The Dartnell Corporation. Member Audit Bureau of Circulation and Associated Business Papers, Inc. Operated in association with Federated Business Publications, Inc. Telephone Lexington 1760, New York. Cable, Elbill, New York.

HIS section of the South, though famed in song as the region where "cotton, corn and sweet potatoes grow" is no less noted for the golden-brown tobacco and the "Albemarle Pippin" that the crowned heads of Europe prefer.

Tobacco planters, fruit growers, stock raisers, poultry raisers, grain, grass and cotton farmers make up the Southern Planter audience. More than half of our readers derive two-thirds of their income from livestock.

It is this diversity of moneycrops that makes this a good sales territory even during those years when one or another of the staple crops does not bring a high price.

A poor market for either tobacco, cotton or corn does not deter The Southern Planter people from buying automobiles, radios, building materials, house furnishings, implements, etc.

It is as natural for them to consult the advertising pages of the Planter for information as it is for you to look in the telephone directory for a wanted number. The Southern Planter, Richmond, Va., Established 1840. Riddle & Young Co., Special Representatives: Chicago, New York, Kansas City, Atlanta.

Write for a copy of "The Southern Planter and Its Territory."



Home of the Southern Planter



They Say That-

J. J. MOOSMANN has been appointed assistant general manager of the paint, lacquer and chemicals department of E. I. du Pont de Nemours & Company, to fill the vacancy caused by the recent death, in Paris, of J. W. ELMS. Previously Mr. Moosmann was manager of the chemical products division with headquarters at Parlin, New Jersey.

In connection with the change it was announced that the chemical products division will hereafter be operated as two divisions—E. H. FLAHERTY as division manager at Parlin in charge of the industrial finishes division, and G. A. STAPLES, division manager of the automotive finishes division.

Mr. Moosmann is a former sales manager, director of sales and assistant division manager of the chemical products division.

Mr. Staples has also been active in sales capacities with the company in the United States and Canada. Mr. Flaherty is a chemist.

R. W. RUDDON has been appointed vice-president and general manager of the Federal Motor Truck Company. Mr. Ruddon entered the company fifteen years ago as secretary to M. L. PULCHER, now president. In 1918 he became assistant secretary of the company, in 1924 assistant general manager, and early in the present year, first vice-president.

A. E. WALKER, formerly assistant sales manager of the Republic Iron & Steel Company, of Youngstown, Ohio, is now general sales manager, succeeding W. B. TOPPING, resigned. F. H. LOOMIS has been appointed to succeed Mr. Walker.

Mr. Loomis has been in charge of Republic's tin plate sales, and was at one time sales manager of Trumbull Steel.

The appointment of Charles G. Mortimer, Jr., to an executive position in the advertising department of Postum Company, Inc., is announced by RALPH STARR BUTLER, general advertising manager.

Mr. Mortimer previously was with George Batten Company and the Davis Baking Powder Company. For Postum Company, he will have charge of the advertising of Sanka decaffeinated coffee and Hellmann's Blue Ribbon mayonnaise.

A. DONALD STEWART, general sales manager of Luden's, Inc., Reading, Pennsylvania, has resigned to become general sales and advertising manager of the Mavis Bottling Company of America at New York City.

ROBERT KEE has been made manager of car distribution for the Auburn Automobile Company, to have charge of general car distribution for the Auburn and Connersville plants. Mr. Kee formerly held a similar position with the Chicago distributor.

VERNON B. KING has been appointed export service manager, in charge of foreign truck and bus service throughout the world, of the White Motor Company of Cleveland.

J. W. Welles, advertising manager of Brown & Williamson Tobacco Corporation, has transferred his office from New York to the headquarters of the corporation at Winston-Salem. Brown & Williamson is a subsidiary of the British-American Tobacco Com-

J. F. Hadas has been appointed factory manager of the General Motors Truck Company plant in Pontiac, succeeding H. J. WARNER, who has been promoted to assistant to the president.

pany, Ltd.

Sales Management

VOLUME SIXTEEN, NUMBER NINE

New York, N. Y., November 24, 1928

New Sales Problems Created by Montgomery Ward Chain Stores

An Interview by Forrest Crissey with GEORGE B. EVERITT,

President, Montgomery Ward & Company, Chicago

Retail store sales have not decreased mail order sales in the store's community. Buyers are in the market the year round, instead of twice a year as heretofore. Buyers are not restricted to buying merchandise which must absolutely fit catalogue descriptions. Catalogue lists 30,000 items—chain stores carry 3,000. More nationally advertised goods are being sold today than ever before. \$40,000,000 new capital to finance retail stores.

ANY independent smalltown merchants, through their local chambers of commerce, have appealed to Montgomery Ward & Company to establish chain stores in their towns; and manufacturers of nationally advertised goods are selling millions of dollars' worth of their products to this giant organization.

My imagination is unequal to suggesting anything more astounding or revolutionary than the facts covered by this brief statement. This is the equivalent of saying that the waters of merchandise distribution are now quite easily flowing up hill and that economic miracles are taking place about the village square in all sections of the country. Here is something to think about!

Trade traditions, so long and faithfully followed as to seem almost sacred, appear to be as little immune to the

assault of modernism as are morals, manners and modes of dress. The established order of distribution represented by the manufacturer, the jobber and the retailer was popularly considered predestined to prevail indefinitely as the accepted and Heaven-ordained distribution chain by which the needs of man should be satisfied in a commercial world.

But, in the early seventies, this firmly established sequence of the movement of merchandise from the cradle of production to the ultimate destiny of consumption was rudely disturbed by the appearance, in Uncle Sam's mail bag, of Montgomery Ward & Company's catalogue, the Home Wishing Book of the farm family. The surprising success of the printed Fireside Department Store threw the ancient triumvirate of commercial distribution into a panic of fear and resentment.



U. & U.

George B. Everitt

Entire communities enlisted to defend and perpetuate the integrity and individuality of the local community, which they regarded as simply an enlargement of the family unit—and they did not stand upon tradition or ceremony as to the methods of their resistance! They were making, from their viewpoint, a valiant stand against an unrighteous invasion and did not hesitate to "fight the devil with fire."

Residents of town and country were induced to turn in their mail-order



catalogues and when the collection reached sufficiently impressive proportions the books were burned while the local bands played "A Hot Time in the Old Town To-Night"; and the leading business men added the heat of their oratory to that generated by the flames of the public bonfire in which the seditious volumes were consumed.

The Wishing-Book bonfires and the other defensive activities of the local commercial organizations were unable to check the force of the mail-order invasion to the slightest appreciable extent. But the invasion did dig the spurs of competition into the backs of country storekeepers and made real modern merchants of thousands of them. Some of them found a new angle on "fighting the devil with fire"; they stole the thunder of the mail-order houses and used direct-mail advertising to expand their sales territory and increase their volume and their profits.

But, just as they were acquiring a comfortable conviction that there was still a place in the sun for the independent country merchant who was alert, capable and modern in his methods, a bomb fell into their camp in the

form of an announcement that Montgomery Ward & Company, one of the two largest mail-order houses in America; would establish a large number of chain stores throughout the country. Instead of a "place in the sun" it looked to most of the country merchants like a reserved seat "between the devil and the deep sea." They and their bankers, jobbers and other intimate advisers did a wholesale job of doleful prophecy—predicting about everything except that which has actu-ally happened. In their wildest dreams the country merchants could not see themselves sending delegations to the big Chicago mail-order house urging its management to select their particular towns as locations for chain stores of the new mail-order type!

Such a miracle of contradiction was beyond their imaginative powers. While it is true that this latest adventure in retail distribution is only about a year old and has by no means run to the end of the chapter, it has developed with striking clearness facts. which account for this amazing change of attitude on the part of the independent country retailer.

One of these facts is that wherever a Montgomery Ward & Company re-

Wherever a Montgomery Ward & Company retail store has been in operation-such as the one above in Mankato, Minnesota,—the independent retailers have experienced improved business because the new store has greatly enlarged the trading territory of the town and drawn into it customers from a zone which had previously delivered its trade to other towns. Window displays, like that at the left, are furnished by the home office.

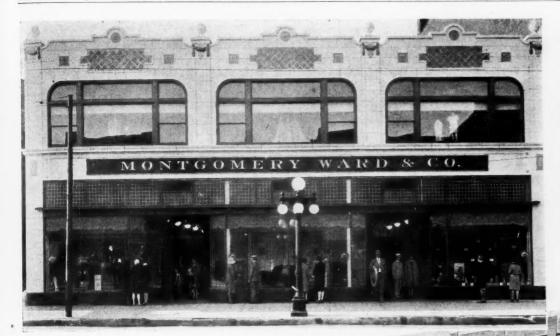
tail store has been in operation the independent retailers have experienced improved business-because the new store has greatly enlarged the trade territory of the town and drawn into it customers from a zone which had previously delivered its trade to other towns. A leading independent merchant in Kankakee, for example, declares: "I'd cheerfully pay the rent on their store here rather than have Montgomery Ward & Company remove their store from our town."

Of course the independent retailers admit that if stores of this character were to be established in every small town now a center for rural trade, the result would probably be disastrous to independent retail merchandising as a whole. But that development looks to be a long way off. The plans of Montgomery Ward & Company, as announced by President Everitt, do not go beyond the establishment-at the rate of 200 a year—of about fifteen hundred of these mail-order chain stores as an ultimate objective.

When asked for particulars as to the progress of Montgomery Ward & Company's revolutionary adventure in retail distribution President George B.

Everitt replied:

"I'm happy to report that both mother and child are doing well! The



"To start 200 stores in two years and have every one of them yield a substantial profit from the day of its opening is an undeniable a c h ieve-ment, clearly indicating the soundness of the plan upon which they have been estab-lished," said President Everitt. The store at the left in Galesburg, Illinois, and that below in Lincoln, Nebraska, indicate the type being opened.

parent house and the chain store plan are both making healthy progress. We now have nearly two hundred of these stores in active operation and every one of them has been a moneymaker from the day of its opening. They have all been steady and consistent profit producers. But that is only half the story. Our mail-order business from the sections in which these stores are located has not diminished; in many, perhaps, most, of these regions our catalogue trade has increased.

Reason for Entering Field

"We went into the chain-store business because we felt it was up to us to use any and every legitimate method of selling that promised to increase our volume and our profits. As the custodians and administrators of an enormous volume of capital no other course, it seems to me, was open to us. Established trade traditions receive scant reverence in this office; we are neither too standardized, too set in our ways, nor too proud to go into any line or form of selling effort that seems likely to increase our profits; we'd ring the door-bells of customers if such a campaign, after a thorough preliminary survey, promised to yield paying results. We would reverse any of our own house traditions just as promptly as we would one held by the great mass of independent merchants provided that reversal involved no let-down in our ethical standards and practices.

"While there are no specific figures to be given out, what I have already said as to the sales volume of our retail stores and the undiminished volume of mail-order sales in the regions served by them should be sufficient to





indicate the unqualified success of this new adventure in the realm of economical retail distribution. To start 200 stores in two years and have every one of them yield a substantial profit from the day of its opening is an undeniable achievement, clearly indicating the soundness of the plan upon which they have been established. Any man with any familiarity with retail merchandising will, I am sure, cheerfully subscribe to this statement."

"The gratifying chain-store results already developed," comments Mr. Everitt, "rest squarely against the backlog of mail-order confidence and

friendship; they can be accounted for on no other basis than that of universal confidence in the merchandise and the methods of this house. Frankly, we figured on this as the determining factor and the results have been in line with our expectations although they have, in some important particulars, gone beyond what we counted on.

"The whole success of our mailorder business rests upon the drawing power of direct-mail advertising—catalogues, broadsides, folders, circulars and form-letters—backed by goods of a kind and quality in strict conformity with the printed representations of them.

"There is, I think, no other organization, except one, which could develop the type of chain on which we are embarked with such apparent ease as we are doing it. There are no other organizations which have developed a contact with their millions of custom

(Continued on page 518)

If You Want Repeat Orders EVERYBODY Must SELL

HERE is no selling activity that I know of which bears such immediate and lasting influence as the work of educating every employe of a company, from the highest official down to the janitor and truck drivers, regarding their part in the selling of the goods. The keynote of this work is the proposition that while the first order for a product is secured by a sales representative, it requires the effort of the whole organization to secure subsequent orders.

When the meaning of this idea is realized and accepted by all of the members of a manufacturer's organization, it results not only in more and better business, but in fewer complaints, a greatly reduced employment turnover, and a more orderly and satisfactory production and distribution. It is based on the fact that, in reality, all a salesman sells is the promise of his company. On this promise he secures the first order, but the second order depends upon how well the company fulfills the promise. And it takes the united effort of the entire organization to fulfill the promise completely.

A Super Sales Meeting

A good illustration of how this work can be accomplished, and the results it produces, is furnished by the experience of a cereal manufacturer. As it happens, I was privileged to attend the meetings and study the entire procedure. The work began by getting all of the workers together with the salesmen in a super-sales meeting. Maps and charts were put up which graphically explained every phase and factor of production that has any influence whatever on the sale of the goods.

By this means the problems of the salesmen were presented, and I believe that giving the entire organization a comprehension of what the salesmen were up against was important in producing the results achieved. In a great many organizations the average worker in the office and the plant has the impression that the salesmen have an immortal cinch, that they travel around the country having a good time, and for some unexplained reason are paid handsomely for merely asking people to place orders.

BY IRVING S. PAULL

The salesmen are only a part of the sales organization; every factory and office worker must understand the significance of his work before an organization can hope to retain its full share of repeat business. How several large companies have taught all their workers to understand the interdependence of the departments of production, service and selling is told in this article by the man who helped to do the work. It paid in actual orders.

At this meeting, however, all illusions of the kind were promptly dispelled. The salesmen demonstrated just how they create sales, and explained all of the difficulties of their work. Furthermore, and most important of all, several good salesmen emphasized the promise they found it necessary to make to secure orders for the goods. They gave all of their sales talks, and related experiences to bring out all that was necessary to say regarding the excellence of the products and the service of the company in order to get the business.

Tracing Selling Influence

The discussions then switched to subjects which were related to the mailing of invoices, the getting out of shipments to make trains, and a great many other details of business which have an influence on selling. In fact, the discussions traced the selling influence of every department and worker of the entire organization.

The interest aroused was much more marked in some quarters than in others. This was due, not only to the nature of the work of some of the departments, but also to the grade of intelligence of the workers. The plan was to convince every worker in the entire organization of the importance of his or her contribution to selling influence. Therefore, it was necessary to treat some groups in a special manner, and this part of the work is well

illustrated by the girls in the packing room. Here, at first, the interest was rather negligible. There were about twenty girls in the room, and while they were vaguely interested, it was evident that they did not fully understand their part in the selling of the company's products. So we arranged a party for the girls. Every one was to be a hostess, and it was to be their party to all of the other employes of the company.

Packing Room Party

A hall was rented and decorated for the purpose, tables were set for a dinner, fine dishes were provided, with flowers and excellent food. The girls set the tables and became very much elated over the whole plan. The party was a great success, and before it closed an official of the company explained to the girls that they had proved themselves to be hostesses of intelligence. It was then explained to them that they were also, in a sense, hostesses to the consuming public, for the reason that they packed and labeled delicious food products which the public bought.

Carrying the explanation further, they were told that the public bought the product very largely because of the way it was packed and labeled, and for this reason they were impressed with the responsibility that was theirs in putting out the products in such a perfect way as to completely satisfy the consumer.



¶ A large engraving house educates its workers in an understanding of the advertising which created a demand for their goods. Photograph by courtesy of Fine Arts Engraving Company, New York

It was well worth the expense of the entertainment to see the way the girls responded to the lesson. Instead of merely mechanically carrying on their part of the work, they immediately took a special interest in seeing that every package was as nearly perfect as possible.

This same idea was carried on down to all of the workers, even to the janitors, who were impressed with the fact that the responsibility was theirs to see that the factory was not only perfectly clean, but also that there must not be even a taint in the atmosphere. The educational campaign also included the truck drivers and their helpers, and when the work was concluded every individual worker in the plant was conversant with all of the facts of production and their relation to sales from the purchase of materials, the work of the food chemists, and clear through to the final distribution of the products. It was further explained to everyone that promotion in that plant would be based on how well they conducted their work in terms of salesmanship.

Many manufacturers believe that it is impossible to interest their workers in campaigns of this character, but experience shows that if the work is conducted properly the interest of the

employes can be taken for granted. In this case, the workers themselves organized for continuation of the study. They appointed committees to investigate the distribution of the manufacturer, the wholesaler and the retailer, as well as the preferences of the consumer, and requested the officials of the company to suggest subjects for further study. Weekly meetings were held at which reports, written by the workers themselves on such subjects as the problems of the wholesaler in buying from the manufacturer, the distribution of wholesaler to retailer and the problems of the retailer, were discussed. Eventually, of course, the investigations led back to the service the workers themselves performed for the manufacturer, and we had an adequate understanding of all of the functions of merchandising and distribution.

Primarily, one purpose of this work was to establish a sympathetic understanding and recognition, on the part of all employes, of the interdependence of the departments of production, service and selling. Before the work was started, most of the employes, like a very large majority of industrial workers, thought that the pay roll was met by capital. After the educational course they were convinced beyond every doubt that the

consumer provides the contents of every pay envelope.

The results were almost immediate. The sales in the home city increased very rapidly, due to the personal sales work of all employes. Without any instructions on the point, the workers began to inquire of retail grocers as to whether they carried the products and featured them. They talked about the quality and excellence of the goods to their friends, and this had a rather remarkable effect on local sales. Complaints and claim adjustments dropped very rapidly to that small and inevitable percentge which represents unjustified complaints, and they were very few. The mistakes that are considered unavoidable were so greatly reduced in number as to become negligible. The most gratifying result, however, was expressed in sales, which grew so fast during the succeeding year that the company could not expand fast enough in its production to meet the demand. This, of course, was not due entirely to the educational work, which was but one factor that contributed to the success of the company. But I am sure that the large sales volume that accrued would have been impossible if the whole organization had not been intent upon producing the

(Continued on page 526)

An Outline of Mergers

BY JOHN ALLEN MURPHY

HEN I was advertising manager of Towle's Log Cabin Syrup Company about twenty years ago, W. J. Towle, then vice-president but long since president, often discussed with me the possibilities of cooperative selling. Mr. Towle thought it might be advisable for half a dozen non-competing food manufacturers to pool their sales forces. At that time Log Cabin had three

different types of markets:

1. In twelve or fourteen states the

company had a general syrup, molasses and sorghum business. The large volume done on miscellaneous products in these states held down the selling expense on the Log Cabin specialty to a reasonable figure.

2. In another group of states throughout the Pacific Coast the company's general business was comparatively small, but its sales on Log Cabin were enormous. Selling expense was

consequently low.
3. In the South and East the company did practically no general business and its sales on Log Cabin were confined to the high-grade grocery stores. Selling costs in these territories were excessive.

Mr. Towle's contention was that if five or six manufacturers of food specialties, in the same quality class

(Below) P. L. Deutsch, who, less than a month ago, announced the completion of a merger involving four other companies: Bristol; Asher, Small & Rogers; Gotham Bristolphone Service and Lesser Warner Productions.



Blank-Stoller, Inc.

(Above) Charles L. Tyner, president, The Home Insur-

ance Company, the "daddy"

of the biggest merger that

ever took place in the fire in-

surance world.

(Right) R. E. Tomlinson, the

present president of the Na-

tional Biscuit Company. National Biscuit was one of the first of our modern mergers. (Below) W. T. Poesey, vicepresident, United Cigar Stores



3. How Do Mergers Affect Sales Costs?

In the first seven articles in this series Mr. Murphy will build up the case for mergers, basing his discussions on the experiences of more than 200 companies. In the last three articles he will show the weaknesses of mergers, pointing out how and where they fail. These articles are appearing every other week in Sales Management.

as Log Cabin, pooled the selling of their lines, the cost of selling throughout the United States would be held down to a low level. Some one of these manufacturers would have a big business in every section of the country. The tremendous sale of Log Cabin in California would give all the products in the pool a low selling cost in that state. The large demand for Arbuckle coffee in the East would have reduced the selling of Log Cabin to a profitable percentage in a terri-

tory where the cost had previously been too high.

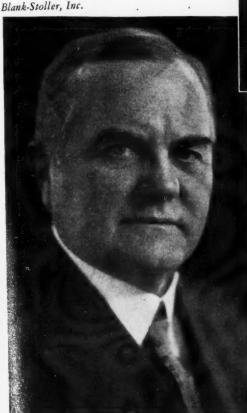
Another thing such a pool would have accomplished is to have given the products in it a better seasonal balance. Most foods sell better during some seasons than in others. Syrup retails much faster in the cold months. Certain cereals, such as corn flakes, sell better in the months when fresh milk is more abundant.

(Continued on page 508)

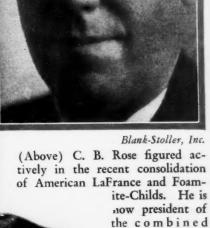
(Right) Col. Leonard S. Horner, president, Niles-Bement-Pond Company. The theory back of the consolidation that took place here is that a large line is cheaper to sell than a short line.

(Below) E. J. Cornish, president, National Lead Company. National Lead used the "Dutch Boy" to tie up the various brands brought together through a merger.

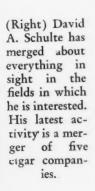








companies.



Alman Photo

Pot Shots at Some of ADVERTISING'S

"I do not believe that the possibilities of advertising discovery have been exhausted or that the analyses of 'appeals' presented in the standard text-books represent the sum total of possible achievement," writes Mr. Johnson in this article, the second in his series on greater freedom in copy. "I think there is creative ability enough among advertising men to break through the vicious circle of an attempt to offset a waning public responsiveness by exaggeration which merely serves to make it wane faster."

S every student of advertising knows, the writer who sits down to compose the text of a message to the public is confronted by a whole galaxy of limitations and restrictions, both as regards the message itself and the minds to which it is addressed. These 'musts' and 'must nots' range all the way from the number of the words that are acceptable in the head-line to the form of "action-getter" in the concluding paragraph; and most of them are based upon a purely abstract and hypothetical standard of the "public intelligence." To exercise his creative imagination is almost inevitably to transgress the established metes and bounds, and to produce something which the public, by hypothesis, will fail to "understand." Hence the almost irresistible tendency to reproduce the old familiar stereotyped formulas, and the attempt to galvanize them into new forcefulness by overstatement and emotional exaggeration.

The wild adjectives and "amazing" attributes which so disturb some of the more thoughtful students of present-day advertising mainly represent, in my opinion, the desperate effort of the copy-writing Pegasus to get into a good gallop without tearing himself to pieces on the barbed-wire corral in which he has been impounded by advertising scholasticism. Poor old Pegasus! They have clipped his wings for him and he no longer has the fresh and verdant meadows to

roam in. The distant groves of imagery are as cool in darkling vistas as they ever were. The hillsides still weave their changing tapestry of color, light and shade; mysterious sounds still rise from the tall grasses; faint and tantalizing odors still hint at the possibilities of discovery. But the copy writer is scrupulously wired up from contact with all that. The public would never apprehend it. (Of course, the public never did!) So down in the flat lands, the bottom lands where the grass is plain and coarse and no nonsense, he stamps his tethered circle and flings up the dust of reckless exaggeration with his heels.

Discoveries Still to Be Made

As already stated, I do not believe that the possibilities of advertising discovery have been exhausted, or that the analyses of "appeals" presented in the standard text-books represent the sum total of possible achievement. I think there is creative ability enough among advertising men to break through the vicious circle of an attempt to offset a waning public responsiveness by exaggeration which merely serves to make it wane the faster. I think it is barely possible that scholasticism did not say the last word on the subject; that there are still resources in the English language that may be discovered and put to practical and profitable use; and that it will not be necessary, as Mr. Rosenfels suggested at the A. N. A. meeting last year, to increase the violence and the recklessness of our language until we arrive at the ultimate and final goal of profanity.

Perhaps I can best illustrate what is meant by the term "scholasticism" in connection with advertising by a reference to the kind of thinking indulged in with respect to the nature of advertising itself.

Advertising, in fact, has been defined a number of times and in a number of different ways. Perhaps the most generally accepted definition is in terms of force; or energy, if the connotation is more pleasing. Advertising in this view is the business force (or energy) that accomplishes the practical result of a mass response, in place of a purely individual response, on the part of the public. You may like that definition, or you may not. Actually it makes no difference what definition we adopt anyway. For advertising actually is nothing more than a name: a collective term applied for convenience to an indefinite group of facts and certain kinds of conduct. The facts are constantly changing and the conduct is equally variable. All that there is to advertising, in any sense of reality, is this indeterminate collection of facts and activities. They alone are concrete. They alone have any positive reality. There is no such thing as a "force of advertising" or "process of advertising" in reality, any more than there is a "force of law" apart from human conduct. Advertising is merely what happens; not a condition of force precedent to its happening.

Pure Figure of Speech

Actually, therefore, what we are dealing with is a pure abstraction from certain concrete facts, which facts alone are of any concrete force or value. And the attempt to define it is an attempt to define unreality. It simply drives us into metaphor or personification. Our "force" of advertising is a pure figure of speech.

What earthly difference does a mere question of definition make? A good deal of difference, as it happens. For when we begin to conceive of advertising (this pure abstraction) as a

SACRED COWS

force or condition precedent to the facts, with principles to be formulated and laws to be discovered, we are getting the cart before the horse with a vengeance. In place of leaving the real and tangible facts free to determine the abstraction that we make from them, we turn matters about and invite the unreal and intangible abstraction to determine the facts. In laying down laws to the effect that advertis-ing "must be" this and "must not" be that, "must do" this and "must avoid" the other, we are simply establishing imaginary metes and bounds for the conduct which alone gives the term "advertising" any meaning at all. To the extent that such imaginary laws are believed in and enforced, experiment ceases, fresh facts are prevented from coming into the picture, new ways of getting results remain undisclosed and progress stops.

Check on Development

In my very humble judgment the development of advertising expression has been checked in this very way, for this brand of thinking is the main source of that horrendous array of musts and must-nots with which the copy writer is confronted. Scarcely ever can he find himself in the simple and natural position of writing a message that will make another man feel as he feels about something.

In perhaps the majority of cases he can scarcely be said to be writing a message at all, for neither what he writes nor the mind to which it is addressed has any real relationship with life. What he writes is "advertising"—a highly technical abstraction that has somehow become endowed with more rubrics than a prayer book, and he writes it for a "public" that exists only as a collection of abstract, hypothetical attributes. From the number and the length of the words in his headline, to the position of the logotype in the bottom third of the space, he is to all intents and purposes performing an act of ritual. His resources in the way of originality, enthusiasm and freshness of presentation are available only as they are able to escape through the fine meshes of the established formulas.



The "scholastic" brand of thinking is the main source of that horrendous array of musts and must nots with which the copy-writer is confronted. Scarcely ever can he find himself in the simple and natural position of writing a message that will make another man feel as he feels about something.

The preoccupation with this idea of advertising as a force or condition precedent to the facts, and the endowment of it with laws and principles to which the facts should conform, is pure scholasticism. It places the prac-

tice of advertising in a position almost analogous with the position of natural science in the Middle Ages, when it was considered useless and even impious to seek knowledge of the (Continued on page 524)



LONG time ago, when this company was much smaller than it is today, I overheard one of our salesmen say he never heard from me unless there was some trouble afoot. I often think of his remark with regret, because I do not want any man in our company to feel for one moment that I am not interested in his progress with the company as well as his own personal welfare. I am proud of every one of the men in our company. While I may not know each of you personally or intimately, I do know of your work and your plans. Your reports are always interesting to me. Perhaps I know more of your affairs than you imagine!

One reason I write you so seldom is because Jim Dawson, our sales manager, is such a competent man and conducts the sales department so well. But this week Mr. Dawson has sug-

Mr. Dawson has just been showing me our sales plans for next year. Together we have been looking over the new sales portfolio, our newspaper and magazine advertising schedules, and the new window display material.

I have carefully studied our advertising coverage, the figures on the circulation of the newspapers and magazines, the outdoor advertising schedules and the plans for window display work. I think you will all agree that we have a wonderful set-up

for next year.

I could not help comparing next year's program with the meager plans we made when the business was smaller. In those days our salesmen had a sample of the goods, a price book, an order book and their own personality. That was all. They couldn't go into a dealer's office and sit down at his desk and show him just how many prospective customers were in his county; nor could they show him that our advertising would reach exactly 76 per cent of those

prospects. They couldn't explain to him how the magazines in which we advertise go into nine million homes; nor could they show the dealer how many of these magazines go into homes in the trading area around his store; they couldn't give the dealer the insertion dates of our newspaper campaign and plan with him a tie-up campaign; they couldn't show the dealer the four big mailings which will bombard his customers, nor could they hold a meeting of the dealers' salespeople and show them a motion picture on salesmanship as you men

Illustrations by George Shellhase

When we consider all the help which you men have in selling today it makes the so-called "good old days" seem amateurish. I am strong for this new way of selling-this scientific market analysis, and the whole-hearted and carefully planned way we cover every territory, so that every one of you men has our entire advertising and sales-promotion program working for you-helping you sell more

Don't Forget Human Side

As I said, I am strong for this new way of selling. It means that we take the risk and burden of moving the goods off our dealers' shelves. But strong as I am for this new way of selling, I want to warn you-rather I should say remind you—that in spite of all this powerful printed help, in spite of the facts and figures, the charts and diagrams—the absolute proof we offer our dealers about the market for our line-we must not for one minute forget that there is a human side to selling. And all our portfolios, all our advertising, all our demonstration manuals and motion-picture educational work cannot take the place of simon-pure friendliness and humanness in our relations with our customers.

I am reminded of an experience I had when I was out on the road selling. You know I haven't always been president of this company. I know what it is to beat the bush, as we used to call it. I had been calling on a cranky old merchant in a small

Writes To His Salesmen

Arouses the Latent Ability of the Men in the Field

A copy of this letter was shown us by one of the salesmen who received it. "The best letter I ever read," was the salesman's comment. Although we are unable to reveal the name of the writer, we have obtained permission to publish it. Perhaps it would be an excellent idea for more presidents to write their men, fully, frankly and in the same cordial, friendly tone employed by this president, who, by the way, is almost worshiped by every man in his organization. Encouragement breeds cooperation.

town in Indiana. He would always listen to my sales talk, give me all the time I wanted to show him the line, but when I had finished he would always say, "Well, I am not interested in your line. Good day, sir." And with that he would dismiss me.

The "Cold, Dignified Fellow"

He was a cold, dignified old fellow, who said little and looked straight at anyone who was talking to him. I could never seem to penetrate his outer shell of austerity. One day I called on him just before noon. I went through my usual talk and received the usual answer. It seemed that he was even more curt and brief than usual. I went out of his store vowing never to call on him again. I swore that he was about the coldest, fishiest man I had ever encountered. Just as I was turning the corner to go to the hotel for lunch I saw him walk out of the store and start towards home for lunch. I turned to watch him, and as his home was not far away I watched his dignified stride until he got within a block of home.

Suddenly I saw three children, yelling and hollering like young Comanches, rushing toward him. Suddenly his entire attitude changed. His whole body seemed to relax. His slow, measured stride quickened. He seemed as eager to reach them as they were to reach him. They rushed up to him, all three jumping into his arms at once. Grabbing the youngest

one he quickly hoisted the child to his shoulders. Taking the other two by their hands, he was the picture of a proud and happy father. The kids fairly danced around him as he finally started walking again.

I was amazed. If you had asked me I would have assured you that this man's children would have been afraid of his shadow. Yet here was a man whose children were not one bit afraid of him, and who made his daily homecoming a gala occasion. After witnessing this delightful scene I knew I had been too darn businesslike with this man. I knew that his

cold, austere manner was assumed because he was afraid of letting salesmen take advantage of him. My next visit to that man brought a good-sized order, because, instead of talking nothing but business, I took time to become acquainted with him. Mind you, I didn't rush up and ask him, "How is the family?" But I did act neighborly, and after I had talked to him a few minutes he said, "Young man, what was that deal you talked about the last time you were here?" When I answered him he said, "Well, just put me down for that shipment. I guess I can handle it all right."

I have told you this story as evi-

I have told you this story as evidence that I do not underestimate the importance of your own personal relationships with our customers. I want you all to know that I do not think for a minute that all our printed matter, our demonstration manuals, advertising portfolios and other helps will take the place of real old-fashioned, hard-working salesmanship. Some of our competitors are almost as well equipped with portfolios, plans, diagrams and other physical helps as we are. But I do not believe we have a competitor whose men are as good as you men are. That's where we have competition licked. So you see I am counting on this margin of manpower to keep our company forging ahead of competition.

While I actually believe that our advertising, our equipment for salesmen and all our selling helps are the best in the field, yet it is true that other companies can

buy similar material. But they cannot buy men like you.

I don't hesitate to remind you men (Cont. on page 517)



A certain salesman who comes to sell me investments goes to such pains to prove every point he makes that I sometimes feel uncomfortable.

Government Color Jury Prepares Verdict on Visibility

BY WALDON FAWCETT

THE Government is about to make public the results of an unusual, but none the less practical, approach to the subject of color. Late in 1928, or early in 1929, a special jury will announce its findings on an investigation of color visibility from the aerial standpoint. The verdict is based in even greater degree upon unique laboratory tests than upon the color reactions of airplane operators and their passengers.

Of Value to Advertisers

Persons who have seen the report in manuscript are unanimous in the belief that what is, on its face, a technical document for the aeronautics industry, will prove constructively suggestive for all marketers and advertisers who make use of color. The value for all branches of outdoor advertising is obvious. Seemingly, this research by a disinterested and impartial commission has something to contribute also to the technique of window dressing and to the strategy of garbing packages for store display.

In a sense this Federal investigation of color from a special angle is the outcome of the Airways Marking Conference which was held at Wichita, Kansas, some months ago. That, in turn, was the child of the National Airways Marking Association. The rapid development in the United States of aeronautics and the provision for airports, airways and air routes, brought in its train an expanding demand for means of identifying the landing fields and supplying location and direction signs for pilots. To serve this need the above-mentioned association took the initiative and enlisted the cooperation of the Govern-

The competition in connection with the Wichita conference resulted in the submission of thousands of suggestions for air marking and particularly for the employment of color as a medium of night-and-day signaling to aerial traffic. Many of the proposals submitted involved the use of devices so elaborate as to make the propositions appear impracticable. There remained for consideration, however, so large a grist of suggestions that the conclusion was reached that a special sifting board should be created to examine and try out the nominations

and to assemble the facts upon which might be based concrete recommendations for air marking.

The jury thus called into being is the oracle that is about to pronounce on long-range color values. This special committee on air marking includes in its membership representatives of the Army Air Corps, the Bureau of Aeronautics of the Navy Department, the Aeronautics Branch of the Department of Commerce and the National Airways Marking Association. Its contribution to the information of commercial color users should prove the more valuable because it has dealt particularly with phases of color visibility that have received little or no attention in private explorations of color, namely, the penetration and attention-arresting power of color under conditions involving the presence of fog, haze, rain or snow.

The essence of the committee verdict will be that yellow is the one best bet for visibility, coupled with a reasonable cost of maintenance. In this finding the special jury is, in a sense, echoing or confirming a conviction on which the Government has been acting for some time past. Early in the history of Federal supervision and encouragement of aeronautics the question of color for markings and signaling devices came up. On that need, a series of flying tests was hastily conducted and the recommendation for yellow went forth and has stood ever since, being generally followed by the makers of airport signs, wind cones, etc.

Elaborate Laboratory Tests

Without in any sense scorning the results that had been obtained by the tests involving the use of painted canvas on flat roofs, the committee on air marking undertook an elaborate program of laboratory tests designed to encompass all colors. For an impression had gained ground that red should prove the ideal color for extreme visibility. To deal with the problem, scientifically, a "tunnel" was constructed at the Commerce Building in Washington and here the primary and secondary colors were measured for visibility under conditions approximating fog, smoke and other inter-

While the scientific showdown

backed up the practical demonstration that yellow is the ideal color medium for the long call, the committee was enabled to narrow the choice to chrome yellow. In some degree chrome yellow is a compromise. Judged solely by light reflective capacity, white was entitled to first place in the jury's scale of color values. But it was found that white slumps rapidly in penetrative power in neighborhoods where there is much smoke or soot. To keep white anywhere near 100 per cent efficient requires frequent renewals, with expenses in proportion. The same is true of certain grays and light yellows that rank close behind white. Taking maintenance costs into the reckoning, the special committee has decided to recommend chrome yellow as offering the best combination of visibility and survival value. This verdict squares, incidentally, with the independent investigations of certain manufacturers of wind cones which have indicated that when the ground is covered with snow chrome yellow is visible at much greater distances than white.

Yellow on Dull Black

In seeming defiance of the typo-graphical traditions cherished by a majority of advertisers, the Government committee will recommend the use, in air marking, of chrome yellow letters on a dull black background rather than black letters on a yellow ground. The specification is not drawn, as some persons might surmise, out of consideration for the materials commonly employed for roofing purposes. Rather it is due to faith in the superior visibility range of yellow. To encourage private firms to color standardization in air marking, the Government committee is considering the introduction of an official symbol -perhaps a bull's-eye representation to be displayed on factory roofs, etc., marked in accordance with the Federal formula. No attempt would be made to censor the character or quality of advertising painted on the roof so long as the directions for pilots conform in color and dimension to the approved patterns.

The Innovation Trunk Company, the largest manufacturer in this field, has announced plans for the establishment of a chain store system for the sale of trunks and leather goods.

A retail store will be opened soon in

A retail store will be opened soon in Denver, officials decided at a recent meeting. Shortly afterward other stores will be established in Philadelphia, Pittsburgh, Atlanta, Chicago, St. Louis, Los Angeles, San Francisco, Seattle and New York City. Headquarters are in New York.

Campaigns to Be Launched in Industrial Markets

14. Selling Bicycles and Motorcycles to Industry

BY R. BIGELOW LOCKWOOD

That the bicycle, fallen from its high estate of the "gay nineties," still has important markets to cover was discovered by the Marlo Cycle Company when it began casting about for a field of expansion. As in the previous articles in this series, the company is purely fictitious; the campaign described here is meant merely to suggest an approach to the markets under consideration.

'N the "gay nineties," when the height of a Sunday afternoon's

enjoyment was to take your best

big business.

nt

nt

girl for a spin on a tandem bicycle, the Marlo Cycle Company enjoyed a

Throughout the length and breadth

of the land Marlo bicycles were encountered in droves along the highways and through the parks. It was the ambition of every boy to own a Marlo and wear the neat celluloid button that distinguished him as a mem-

ber of the elite. Older brothers and

sisters pored over the well-thumbed

Brown Brother

The bicycle craze of the "gay nineties" has long since passed, but the day of the wheel still lives in another form and for another purpose.

pages of the gaudy Marlo catalogue, and even mother and father, perilously encircling the track of the "riding academy" under the guidance of an "expert instructor," secretly cherished the desire to own a Marlo when they

There is obviously an advantage to the worker living some distance from his job, reasoned the Marlo company, to employ his own independent means of transportation, eliminating the necessity for crowding into street cars or walking.

Ewing Galloway,
N. Y.

ventured out upon the road. It was a hectic craze while it lasted; a period of forced production and trying to keep pace with the demand.

And then the bubble burst. Father and mother a little sheepishly withdrew from the picture. Aunt Emma devoted more time to her missionary work, sewing pants for the heathen and packing her own bloomers in moth balls. People took stock of themselves and the older element left the art of cycling to the younger crowd. "Gas buggies," in due course, chugged along the highways to the shrill cry of "Get a horse," and the day arrived when the craze for the wheel was over.

Industry Didn't Die

Surprising as it may seem, the bicycle industry did not die. contrary, it continued to flourish. Naturally many of the mushroom bicycle concerns fell by the wayside, and certain reliable companies who had taken up the manufacture of wheels as a side line devoted all their attention to their regular business. A few companies like Marlo stuck and as the years went by proved that their faith was sound. If the bicycle craze did one thing it taught America the advantages of covering ground by exerting muscular force on a pair of pedals. The convenience of the bicycle had been firmly implanted and the pleasure derived from riding had not been entirely lost. The difference lay in the fact that bicycle riding became stabilized and shifted geographically. To be sure, the small boy is the same at heart in city or country, and the "boy market" for wheels continued to exist everywhere. Otherwise, bicycles became units of convenience and retired to the more rural communities. Due perhaps to lack of competition, the Marlo Cycle Company actually continued to sell as many bicycles as ever.

Naturally progressive, the time arrived when motorcycles were added to the line and, as our story opens, we find the company in a healthy condition, desirous, however, of expanding their business along any safe and well-stabilized lines of endeavor.

While it is true today that many workmen employed in industrial plants drive their own automobiles to work, it is also true that large numbers ride bicycles and park their wheels in special racks provided by the company. Especially is this true in the smaller towns and strictly industrial communities where local transportation service is often inadequate to handle the tide of workers. There is obviously an advantage to the worker living some distance from his job to employ his own independent means of transportation, eliminating the necessity for

crowding into street cars or walking. And the great numbers who actually do travel back and forth by bicycle or motorcycle indicated to the company that the percentage might be greatly increased were the proper steps taken to bring this about.

A survey of America's business structure conducted to show where the workers are employed in gainful occupation discloses these figures:

18,673,000, or 44.8 per cent, in in-

10,953,000, or 26.4 per cent, in agriculture.

5,974,000, or 14.3 per cent, in trade.

4,078,000, or 9.8 per cent, in personal service and miscellaneous occupations.

1,936,000, or 4.7 per cent, in professional work.

This makes a total of 41,614,000 workers.

A century ago this country was predominantly agricultural and most of the workers were employed in agricultural occupations, but today the great employing division is industry. Nearly one-half of all the workers in the country are employed here. Truly, industry is the workshop of the world.

Naturally the Marlo Cycle Company could not hope to place all these eighteen million and more industrial workers on Marlo bicycles, but with reasonable assurance it was possible to expect a profitable percentage could be induced to become Marlo riders and to increase the industrial riding habit.

A Stable Market

The attractive thing about the proposition lay in the fact that the market was a stable one and not likely to be influenced by trends. Its roots lay deep in the soil of convenience and it is not stretching the point to say that, used for the purpose, the bicycle and its later development, the motorcycle, may be classed as industrial tools having an influence on production and the handling of labor. The quick and certain means of transportation these vehicles afford assist in the maintenance of a better time-clock record, while the trips made in the open air contribute toward health.

Taking an average plant, the company reasoned as follows, these findings being later substantiated by subsequent investigation:

Top executives might be expected to drive to work in their motor cars and were therefore eliminated from the picture. In any event it would be unreasonable to expect a president or higher company official to pedal his way to work.

In the shop, however, there existed almost a blanket coverage, from fore-

man down to the hunkie who filled the grease cups, and the lower down the scale the greater the percentage of prospects.

This fact brought up an interesting point. Here was a product having an influence on production, by enabling workers to more easily get to their jobs on time, and yet which became the personal property of the buyer. A bicycle or motorcycle offered great convenience to its owner in getting back and forth to work, but it was not a piece of manufacturing equipment that could be installed and made directly productive. The market existed, but how to reach it was the problem. And it was finally solved in a unique manner.

The Advertising Problem

From the very beginning it was seen that any attempt to reach the workers directly down the line in industry through advertising would prove too costly. Such a program would call for a blanket newspaper campaign, which, to be effective, must be kept up at prohibitive cost. And even then the advertising would be a campaign of scatteration, with tremendous waste among readers not interested in the industrial angle. General consumer advertising did have, however, a place in the program as supplementary to the major drive. How and where it fitted into the picture we shall see later.

Naturally leading industrial publications were thought of as being channels through which to reach the desired prospects, but it was quickly seen that such publications were not edited for, nor were they subscribed to by, wage-earners of the rank and file. Yet it was through these very publications, reaching company production executives and those in charge of labor, that the desired contact was established.

Briefly, the company's line of reasoning was as follows—and it was logical: Those in charge of company policies, production, processes and operations were naturally interested in anything calculated to contribute to efficiency and prompt attendance on the job by those on the payroll, regardless of the character of the means employed to bring about these advantages. By enlisting this interest on the side of "organized bicycle riding" a way might be found to reach the workmen through the company.

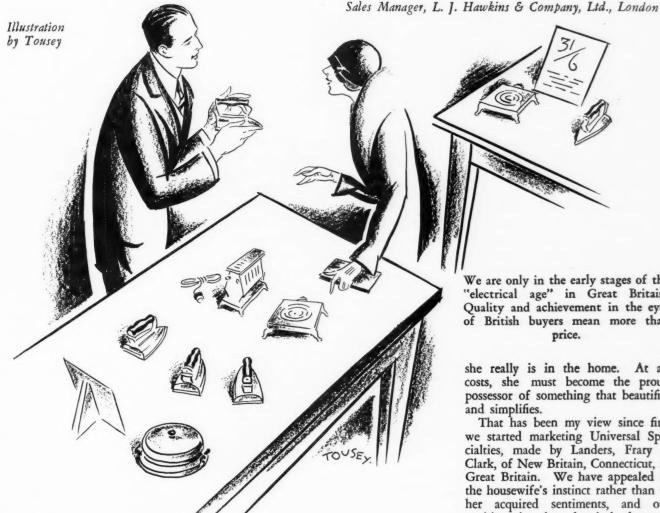
Following out this line of reasoning the manufacturers of Marlo bicycles took steps to secure this company backing. It was decided, among other things, to offer a club rate for bicycles purchased through a company and to

(Continued on page 522)

"Better Homes" Appeal Will Sell in Great Britain

As Told to a Staff Writer

BY W. C. JEARY



REAT BRITAIN with its population of 44,000,000 presents a rich pasture to American firms specializing in electrical labor-saving devices for the home. But the psychology of the people and the method of marketing must be carefully studied. The "Buy British Goods" campaign is more applicable to foodstuffs and should not deter the manufacturer of home needs from entering a strongly entrenched market if he considers his appliances to be safe, sound and efficient.

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Love of home and home comforts is a truly British characteristic and no people will respond more readily to the "Better Homes" appeal after they have once overcome their natural conservatism toward change. Here is a classic example of the home taking precedence over patriotism; the psychology of the kitchen is more important to overcome than national sentiment in the every-day merchandising of electrical goods. The home appliance that can be sold on its merits and which carries a time guarantee is certain of a favorable response, irrespective of price or place of origin.

To reach women, the best appeal is to the senses. Show them something that works satisfactorily and is mistake-proof; make them visualize the economy in time and labor your article will insure, and they become ready purchasers. Neither price, country of manufacture nor the idea of giving up "mother's method" will weigh with the young wife desirous of showing her husband the treasure We are only in the early stages of the "electrical age" in Great Britain. Quality and achievement in the eyes of British buyers mean more than price.

she really is in the home. At all costs, she must become the proud possessor of something that beautifies

That has been my view since first we started marketing Universal Specialties, made by Landers, Frary & Clark, of New Britain, Connecticut, in Great Britain. We have appealed to the housewife's instinct rather than to her acquired sentiments, and our position in the electrical domestic equipment trade is our complete justification.

Certainly the electrical home needs market was not an easy one. With goods of American make, goods that British housewives were unaccustomed to see in use, and with electricity exceptionally dear in most districts, the merchandising prospects were none too rosy. Universal electrical home appliances in the shape of irons at 31/6, toasters at 37/6, percolators at 35/- and table stoves at 57/6, etc., did not seem likely to commend themselves instantaneously to a public which was only beginning to appreciate that houses should contain at least one bathroom with hot and cold

The initial campaign obviously had to have an educational basis. masses had to be shown that where time is money it is better to spend money once and save time at all times. And the quickest way of proving a truth to the hard-headed practical Britisher is to show him that a thing "works," that it does no more and no less than what is claimed for it.

Knowing that Universal specialties would meet every test, we arranged our distribution. The trade was extensively circularized and full use made of the technical press. Trade exhibitions and demonstrations were inaugurated throughout the country in corporation showrooms and leading stores. A team of representatives in motor cars, ready to give "on the spot" demonstrations of any Universal specialty, was organized to cover England and Wales. All dealers were liberally supplied with illustrated showcards, folders and electrical window displays. The keynote of all promotion work was "See it Work-Ask for a Demonstration.'

"The Proof of the Pudding"

Nothing was said about price or make. No extravagant claims were made. It was sufficient that an industrial, practical people should see our specialties doing what was claimed for them better than other models could; that they should suggest "Here is the proof of the pudding."

is the proof of the pudding."

The results were astonishing. In the case of the "super-automatic safety iron" we have one of the finest examples of how a class line will sell when properly demonstrated. Before its introduction the usual price for an electric iron was 17/6, so that the increase was very considerable for what may be regarded as an every-day household implement. What followed demonstration of this super-line? Orders poured in upon each other from every corner of the country until this iron is easily a prime favorite.

Why? Because quality and achievement in the eyes of British buyers mean more than price. The thermostatic control on our iron whereby the current is automatically switched off at a temperature of 575 degrees Fahrenheit if the iron is left unattended, appealed to the human failings of many. With recollections of burnt tables, spoiled laundry and, in some cases, even of fire when using ordiary electric irons, many new customers hailed the super-automatic as a "friend in need and deed," even though they already possessed an ordinary electric iron. And the story of the automatic iron is true of most Universal specialties.

An important factor in our success has been quality. That Universal goods are quality goods is best shown by the results of the two- to five-year guarantee which we give with every item. Only on the rarest occasions have we been called upon to meet that guarantee, and then usually the fault has lain, not in the appliance, but in bad electrical fittings, such as faulty plugs, in the home.

We are certain that such factors as our intimate and unrivaled position in the trade, care and attention paid to detail at exhibitions and showroom demonstrations, complete coverage insured by picked, qualified representatives and the definite claims made by

Sales Tactics That "Made Hay" in the Radio Industry

How Crosley got the jump on competition by introducing the free home trial, direct selling through dealers and other policies radical in the radio industry at the time of their debut, will be explained in an interview with Powel Crosley, Jr., in next week's SALES MANAGEMENT.

Mr. Crosley also explains why his company has narrowed distribution down to distributors who will push the line aggressively, and how they planned the team-work with their wholesale outlets which increased sales during the first ten months of this year more than 100 per cent over sales for the same period last year.

us for Universal specialties in trade journal advertisements, would all have proved futile, in the face of keen British and Continental competition, had Universal specialties not been quality lines. They have done all that is claimed for them and British buyers ask for nothing more. They rapidly obtained the dealers' confidence, a sine qua non in successful merchandising in the United Kingdom, where it is common to find stores that have remained in the hands of the same family for generations, stores whose very names are recognized as being synonymous with quality.

That is why L. G. Hawkins have concentrated on the policy of "Help your dealer." Their sales forces are in constant touch with stores, large and small, throughout the country and no personal service is considered too great or, a most important point, too trifling to help the dealer. Promotion

matter on a lavish scale is distributed so that each purchaser of a Universal specialty receives illustrated literature dealing with our other ranges. These bear the reminder, "Show it to your neighbors," advice that is superfluous if we may judge from dealers' experiences. From all over the country we are assured that once a new model finds its way into a new street, orders begin trickling in from that street within a few days.

Yes, the British market is a good, if a difficult, one for electrical goods. The great increase in electrical installations, the decreased cost of electricity, new housing schemes and the novelty of electrical household needs to the average households, all point to an increasing field. The progress of postwar housing will best be realized from these figures taken from the Ninth Annual Report of the Ministry of

Houses built since the Armistice to

March 31, 1928:
1. With State assistance... 724,000
2. Without State assistance 1,105,000

1,829,000

The figures for the past four years are:

1924-5				0		٠		136,889
								173,426
1926-7							0	217,629
1927-8			۰			٠		238,914

This rate of increase must be maintained, if not accelerated, in the future. Simultaneously electrification projects

keep pace.

We are only in the early stages of the "electrical age" in Great Britain, especially in regard to the full exploitation of electricity in the home. As this source of power becomes more available and cheaper, the market for household electrical goods must increase in proportion, and though competition may become keener, manufacturers of sound appliances will be assured of steady sales.

Quality and Cooperation

Stunt advertising, cut prices and inferior lines will not achieve any degree of success. Quality and dealer cooperation must be the primary principles of the sales policy. There is nothing to be gained from stressing price or country of origin. Emphasize and demonstrate the fact that the apparatus works and meets a home want.

When distribution and demonstration plans are completed, press advertising, preferably during the winter months, should be employed.

We are confident of the result. The increasing demand must be met, and with good lines marketed on the principles outlined here manufacturers will find Great Britain a fruitful field

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A well-known married man talks about coffee



advertisement which seems to combine every type of appeal. Here, testimonial, educational and humorous copy is made up to suggest the text pages of the magazine in which the ad appears, with the feeling of a demon-

stration running through it.

By IRVIN S. COBB





(Mason Warner Company)





The PLUMBLEND COMPLETE from \$850

November brings the Plumblend, new as the first snow flurry. It includes all your visible haberdashery-shirt, cravat, hose, handkerchief, even cuff links-faultlessly fashioned to give the best effect together, harmonized in hue, and related in pattern. No haphazard selection: you make one purchase, pay one price, 88.50, receive one box. No dubious moments before the mirror; you wear the complete ensemble in the confidence that Wilson Brothers Style Committee confirms your taste. Especially effective with suitings in all shades of gray; navy blue and certain browns offer other pleasing combinations. Today in hundreds of haberdashery stores, the Plumblend is being shown.

Starts - Necknoor - Hostery - Scurfs - Handherthurfs - Underneuer - Nightngar - Belts - Suspenders - Garters and Nurelines

WILSON BROTHERS

Haberdashery

Reminiscent of the days when men wore knee breeches and ruffles—a Style Committee to select an ensemble for men.

(Chas. Daniel Frey, Inc.)

The Sales Managers' Book Shelf

Reviews of significant books and articles on sales, advertising, management, finance, economics, markets and exports

Business and Politics and Morals—and Fiction

HO would you guess wrote the following economic history of the years 1894 to 1896 and in what work? "Now followed the period of Cleveland financing. The sale of fifty millions of gold bonds redeemable in ten years-this in January of 1894was initiated and a bitter storm swept the country. The Knights of Labor applied for a restraining order forbidding the Secretary of the Treasury from making the sale; the Judiciary Committee of the House resolved that the proceeds could not be used for current expenses; the impeachment of Carlisle was demanded—and financiers looked askance at the loan. By personal appeal Carlisle placed the bonds at a premium of eight million six hundred and sixty-one thousand dollars. But subscribers, to pay for the bonds, withdrew from the gold reserve by presentation of legal-tender notes the sum of twenty-four million dollars, instituting a vicious circle. In August the reserve fell to fifty-two million dollars and in January of '95 to forty-one million dollars. In this emergency Mr. J. Pierpont Morgan was called to Washington and proposed the purchase of one hundred million dollars in gold bullion at a fixed price. Three million and a half ounces were purchased from Morgan, Belmont and Rothschild-half to be bought abroad—with 4 per cent bonds at a price of one hundred and four.

"A renewed tempest swept the land when these bonds were issued to the public and were oversubscribed in America seven times and in England sixteen times—at a price of one hundred and twelve and a half. There were charges of dishonesty. Mr. Morgan had been a former client, and Stetson, Morgan's legal adviser, a law partner of Grover Cleveland.

"Nevertheless the Treasury was relieved and commerce revived in 1895. In January of '96 the Government resorted again to a loan, but this time it yielded to clamor and threw the loan open to the public."

A good critic says this is better than Mark Sullivan's treatment of the same topic. But it is not from a serious history of the period, nor by an economic historian. It is from a business fiction serial, "Dynasty," in the Saturday Evening Post, which began October 20, by Clarence Budington Kelland. An excellent piece of fiction: I heard a sophisticated business man the other day offer \$10 to know "how it will turn out."

The hero is that rare bird, a business man who sees the general trend of the times. He is more mature than Kelland's famous boy merchant, Mark Tidd, and more Nietzschean than Kelland's kindly Scattergood Baines—indeed, it's rather surprising how much Mr. Lorimer seems to have stimulated and improved Bud Kelland.

Better read this story, now in the *Post*, or later when it appears in book form. It's a pleasant way to get an instructive, intelligent outline of the most outstanding changes in business since 1881—and especially since 1891—with a particularly good portrayal of the moral philosophy of the early John D. Rockefeller period, the crueler competition that made "survival of the fittest" a code. "One must choose (says the iron hero) between being moral in a petty, unimportant way and the taking of every essential step to insure the success of far-reaching policy."

The Jobber

And at the same time the Saturday Evening Post, beginning November 17 a new autobiographic fiction by Jesse Rainsford Sprague entitled "The Middleman," and doing for the jobber what the same author has already done for the banker and the retailer (and we understand will later do for the manufacturer)—namely, present in story form the evolution of a business

type during the last thirty or forty years. "The Middleman" promises to be a defense of the wholesaler and his place in the economic system. And you can be sure of finding plenty of racy anecdotes carrying shrewd lessons on business in general and salesmanship in particular.

A Fine Product— But Misbranded

Why Dr. Cherington's book is called "The Consumer Looks at Advertising" I can't see. Did Harper and Brothers, the publishers, prefer it to some quieter, more appropriate title? The volume does not need any adventitious aid borrowed from Joseph Collins' headlines, "A Doctor Looks at So-and-So."

Here is a doctor—not a consumer—looking at advertising. The author is of the profession—director of research in J. Walter Thompson Company, and a former professor in Harvard Graduate School of Business Administration. Dr. Cherington is definitely the expert in economics and in advertising in his defense against the charge that advertising is an economic waste. He brings out (in a way that many a salesman of advertising will be glad to memorize for frequent use) the distinction between value in exchange and value in use—and shoots holes in Chase and Schlink's panacea of specifications.

The chapter on supply and demand contains, by way of illustration, a keen diagnosis of the ailments of the sick shoe industry. In another chapter Dr. Cherington looks at "this consumer person" and outlines the enormous changes in living conditions and consuming conditions of the last decade.

"Fundamentally, advertising is the establishment of contact between one maker or vendor and thousands of actual or potential buyers"—with "the guaranty of integrity which such direct contacts make easy."

Four chapters on Unadvertised Banking, Unadvertised Law, Unadvertised Medicine and Unadvertised Religion are definite suggestions for the extension of the field of activity for organized promotion to increase demand and to make demand more in-

telligent.

A Pioneer Book on Sampling

Norman Lewis's "Samples, Demonstrations and Packaging: Their Use in Advertising" (The Ronald Press Company) is considerably broader than its sub-title, for it is not limited to advertising. The first book on this important subject, it is well worth the



Hon. W. J. Kohler Governor-elect Pres., Kohler Co. Kohler, Wis.



Mr. E. T. Strong

President,
Buick Motor Co.
Flint, Mich.



Mr. G. S. Parker President, The Parker Pen Co. Janesville, Wis.





Mr. A. C. Johnson Vice-President, Chicago & N.W. Ry. Chicago, Ill.



Hon. M. L. Davey, M.C., President, Davey Tree Expert Co. Kent, Ohio

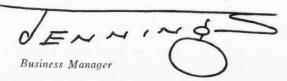
These men and 134,995 other leaders

Read-THE Representatives Eastern-Wells W. Constantine, N e w York Bringing in ye Mid-West-F. W. Boares Li Henkel, Chicago Pacific Coast-J . K. The Nations Talk It Over ~ An American Visits Geneva Evans & Associates Los Angeles, San Fransisco, Seattle Southeastern - A. Q. Gordon, Cincinnati Christmas 1928

RIGHT FRANK-LY

Great Britain-W. T.

Pearce, Bristol, Eng.



own homes, drive automobiles, clothe and feed their families, engage in wholesome sports, make investments, carry on their business enterprises, and still have time to engage in politics and civic and social affairs. Incidentally they have a lot of money to spend—and spend it. It will pay you to know them better. THE ROTARIAN will introduce you to this select audience.

They

R 24, 1928

careful perusal of any sales manager or salesman, and of every advertising man who wants to know merchandis-

ing

Sampling may be a form of advertising; certainly it is not selling. Only too often it is a weak substitute for a real sales point, for forcible copy. We have all read advertisements that sound confident in their claims of superiority that the advertiser is right at the point of getting us to think "We must buy some of this. It is worth our good money"—and then the anti-climax of the coupon and free sample. Mr. Lewis quotes Larus Brothers (Edgeworth tobacco) as saying that decreased demand for free samples may prove that the product is going fine, being bought over the counter instead of given away by mail.

counter instead of given away by mail. The scheme of Mr. Lewis's book takes up methods of sampling (by mail, through schools, etc.) and so does not give formulas when to use sampling, nor stress enough the importance of sampling for introduction only, and the awful waste of sampling after distribution is complete. One advertising agent tells a story of undertaking a study of a product, asking friends, "Did you ever buy it?" and getting the repeated answer, "No, I have used free samples for years."

This book is so good, so complete, you will surely want it. Paste in it these few notes to base some supple-

mentary data upon.

Get the full story of how Palmolive was first marketed. This book tells only how it has been sampled through schools.

Add to what Lewis says about school sampling some information on the distribution of samples through county agents, home extension workers, domestic science experts, scoutmasters and through advertising in Normal Instructor.

Describe educational industrial exhibits—how it is made? For example, the miniature cotton mill loaned by B. B. & R. Knight, the actual blanket loom formerly routed around the country by the Esmond Mills.

More about sampling of textiles—Soiesette dress lengths for dolls, Indian Head for doilies and Olson Rug color charts of rooms with different colored rug inserts to slip into these charts to test color harmony.

More about distributing books (Chapter X) at a good price—both price and quality of the book creating a prestige and a sense of authority for the manufacturer of the product.

More about postal regulations allowing the distribution of samples to Rural Free Delivery boxes without specific addresses; postmasters supply number of R. F. D. boxes on request



Fred W. Shibley

and are required to distribute samples sent up to that number. Possible extension of this ruling to boxes in postoffices.

Distribution of samples to crowds other than county fairs (page 85)—especially Kolynos, made in New Haven, at intercollegiate football games.

More about style shows in department stores and women's clubs:

More specific information about initial distribution of small packages in 5- and 10-cent stores, for example, Hinds' Honey and Almond Cream.

And supplement Mr. Lewis's book with Roland Cole's article, "How Big Should a Sample Be?" in the November *Printers' Ink Monthly*.

A Banker Analyzes Commercial Processes

The banker in the old days used to be interested in "end figures." "What's your statement look like? What line of credit have you got? Let me see your inventory? Figures for profit and loss, please—and what dividends are you paying?"

But "The New Way to New Profits" (Harper and Brothers), though net profits is still writ large, shows that this is no longer true. At least one banker, Fred W. Shibley of the Bankers' Trust Company, who writes this volume, goes back of these end figures, takes the whole machine apart and plans and describes a scientific system that fuses "knowledge relating to markets, merchandising, distribution, sales forecasting, produc-

tion planning, control of all classes of expenses through a budget research applied to industrial and commercial problems analysis and policies of corporate management."

A sales manager to whom an advertising agent was describing Mr. Shibley's book said, "Well, Bill, to hear you tell it, here's a New York banker that has written some promotion material for the research and plan departments of your agency!" But the book is much more worth reading than that implies.

The captious critic may carp at even a banker's deriving "scientific" from the Greek word "Scio"—which is Latin; or at his giving the credit for paying the highest possible wages to American automobile manufacturers—when the Rowntrees, cocoa makers of York, England, had been doing just that a long time before Henry Ford borrowed the practice from them.

SALES MANAGEMENT'S own reviewer was aggrieved that Mr. Shibley's well-chosen examples were not specifically tied to this or that company. Do you know what "cigar manufacturers have increased sales as a result of intelligent market study and analysis"? (page 26) On page 34 we read of an ink manufacturer who helped his market by putting out a fountain pen-I guess it was Carter, but Mr. Shibley does not say, being as conservative in this respect as the news columns of our daily papers. There will be many marginal notes adding names and dates in copies of the book really used and really the more useful.

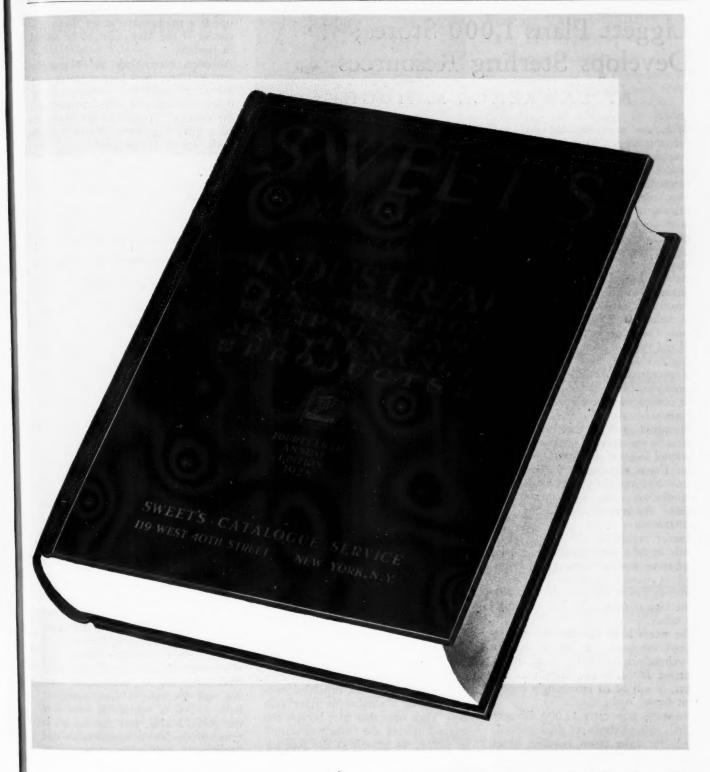
But he does speak out boldly to whole industries. "The coal industry, in greater part, has not yet adapted itself to these new conditions" of analysis for right products for right purposes (page 25). "The cotton industry" (page 88) needs particularly to know "what form of merchandise is finally assumed by his product." "Wool and silk manufacturers (pages 75-76) must regain control of the distribution of their products."

And in Chapter V on the Sales Forecast there is an excellently definite list of concerns that do a good

job (pages 110-112).

The chapter on Budgetary Control is typically illuminating in its analysis of the resistances to budget of each major executive. Beside the special reasons, this general reason: "Thinking has never been a popular pastime." But against this negative stuff, the splendid positive testimonial to the budget from President Sloan of General Motors.

Note Mr. Shibley's chapter on Research is followed by a chapter on (Continued on page 514)



THIS IS THE CAPACITY OF THE W. B. CONKEY CO.

The W. B. Conkey Co. is generously equipped with the practical knowledge, mechanical equipment, big-scale production methods, and modern cost-control systems which are essential for low-cost manufacture of catalogs in large and small quantities.

Write for our "Customers' Helpful Specification Sheet", which will enable us to assist you in the development of a catalog best suited to your individual needs. Also ask for a free copy of our valuable book, "What a Business Man Should Know About Printing and Book Making".

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Liggett Plans 1,000 Stores; Develops Sterling Resources

BY LAWRENCE M. HUGHES

With the announcement this week that the Liggett drug stores will take over the eighteen stores and warehouse of the May Drug Company, of Pittsburgh, on January 2, Drug, Inc., which now controls Liggett, has passed the halfway mark in its immediate program to extend the chain to 1,000

Liggett now operates 502 stores. The May chain will bring it to 520. And the expansion is just beginning to

gather momentum.

Drug, Inc., of which Louis K. Liggett is chairman, also controls the United Drug Company, manufacturer of Rexall and Puretest products, and the Sterling Products Company, largest maker of proprietary medicines and in the promotion of all its products, the largest newspaper advertiser in the United

Already Liggett is the leading drug chain in the country-more than twice as large as its nearest competitor. With the recent expansion to the Pacific Coast and into Chicago, the company's business is now completely nationwide. Its annual sales exceed \$75,-

000,000.

Further expansion will be carried on both by acquiring established chains and stores and by opening new stores. All of these new stores will be in cities or towns of more than 15,000. The Liggett growth has been essential-

The stores have become "service stations" for every type of convenience merchandising. This has been an important factor in the Liggett expansion; it will be an increasingly impor-

tant factor in the future.

The stores now carry 12,000 different lines. All of them are departmentalized-for toilet goods, sundries, drugs and patent medicines, candy and cigars, the soda fountain, rubber and surgical goods, and sick-room supplies. Most of the stores carry books and toys; only a few phonographs and records.

Liggett today spends about 1½ per cent of its gross sales, or about \$1,-200,000, in advertising. Practically all

of this is in newspapers.

The United Drug division devotes a similar percentage of its sales total to advertising, with magazines the principal medium.

The Sterling appropriation is proportionately higher. Although large space is seldom taken on any of its dozen products, Sterling's total newspaper

lineage is much larger than that of any other national advertiser in newspapers. Best known, perhaps, among the Sterling products are Bayer's Aspirin, Phillips Milk of Magnesia, Cascarets, Pape's Cold Compound, Danderine and California Syrup of Figs.

Sterling Products, before its merger with United Drug Company a few months ago, and even at present, has been an enigma of American business. Little has been known of its structure

and operations.

It has been known, however, that the company has built up a tremendous business in "household remedies"—all of them more "standard" than "pat-ent" medicines. Acquisition of Sterling and the expansion of the Liggett retail chain are combining to make Louis K. Liggett increasingly dominant in the American drug field.

United Drug Company, however, is also a large factor in the expansion. Its toilet goods products are now sold through 10,000 Rexall agencies, and these agencies also handle the United Drug's Puretest remedies. All of the Liggett stores are, of course, agencies

for their products.

One of the economies which the formation of Drug, Inc., is expected to effect will be in the use of the facilities of United Drug to assist in the manufacture of Sterling products also. Sterling manufactures for the entire trade-selling to all, including Liggett's on the same price basis. Under the new plan United Drug will be called upon to make and sell Sterling products on a similar basis.

Although Liggett has expanded consistently for a number of years (the New York store that later became the original unit of the chain was started in 1825), its growth in the past six months has been particularly aggressive. Last July the company acquired the six Buck & Rayner stores in Chicago; then followed up with the purchase there of the Portes chain of four stores and the MacLean chain of seventeen. These twenty-seven stores have an annual sales volume of about \$6,500,000.

In this period the company has also added to the Boots chain in New Eng-

A decision by Associate Justice Sutherland of the United States Supreme Court this week rendering invalid the Pennsylvania statute against drug chains will stimulate Liggett expansion in that state. The company already

operates twenty-nine stores there, exclusive of the May chain, to be added in January.

Although New York and Massachusetts still have more Liggett stores than any other states, the company's retail operations are now active throughout the country. There are 82 stores in New York City, 22 in Boston and 53 in the rest of Massachusetts.

But there are 44 in Michigan, 22 in Florida, 25 in New Jersey, 12 in Rhode Island, 27 in California, 10 in Tennessee, 8 in Texas, 6 in Oregon, 3 in Washington, 6 in Louisiana, 3 in Iowa and 5 in Nebraska. The rest of the stores are scattered as widely.

Supreme Court Holds Pennsylvania's Law on Chains Invalid

The United States Supreme Court last Monday ruled as invalid the Pennsylvania law, aimed at the chain store system which provides that every drug store or pharmacy be owned only by a licensed pharmacist.

The decision was made in the case brought by the Louis K. Liggett Company, which at the time of the passage of the Pennsylvania law owned a number of drug stores there. The law did not apply to stores already established. Shortly after the law took effect the Liggett company bought and began operating two additional stores in Pennsylvania, and the State Board of Pharmacy refused to grant the company a permit for the conduct of the new stores on the ground that the stockholders were not registered pharmacists, as required by the statute.

"In the light of the various requirements of the Pennsylvania statutes, it is made clear," said the Court, "if it were otherwise doubtful, that mere stock ownership in a corporation, owning and operating a drug store, can have no real or substantial relation to the public health; and that the act in question creates an unreasonable and unnecessary restriction upon private

business."

Standard Drug to Launch a National Campaign

As a result of a test campaign in Pennsylvania and New Jersey, the Standard Drug & Sales Company of Philadelphia, manufacturer of Muscletone, are extending their marketing activities nationally and a national list of newspapers will be used, beginning January

This advertising will be handled by the Quinlan Company, Chicago.

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Sun-Maid Will Market California Rice Growers' Output

> The Rice Growers' Association of California, controlling 92 per cent of the state's rice crop, have signed an agree-ment with the Sun-Maid Raisin Growers' Association, under which the latter will pack and market rice under its own "Sun Maid" brand.

> The Sun-Maid Growers, through their subsidiary, the Sunland Sales Cooperative Association, maintain division sales agencies throughout the United States and the United Kingdom.

> Somewhat similar merchandising and packing affiliations have recently been made by the Sun-Maid cooperative with the California Prune and Apricot Growers' Association, and the California Peach and Fig Growers' Association, but the agreement with the Rice Growers marks the first departure from the dried fruit line.

> Harry M. Creech, vice-president and general manager of Sun-Maid, has outlined the principal points of the agreement with the Rice Growers as follows:

> The rice growers, who at present sell part of their product on the Pacific Coast and export the remainder into the Oriental markets, will gain wide marketing outlets through distribution channels already maintained by the Sunland Sales organization. The plan is to build up new and profitable markets in the Eastern United States and in Europe for much of the rice now sold at low prices in the Orient.

> By using the internationally advertised Sun-Maid brand the rice growers expect quickly to establish their product in the Eastern and European markets. The Sunland Sales Cooperative Association reduces its unit costs by adding a new product to its line. The same salesmen who handle Sun-Maid raisins will take orders for Sun-Maid rice. There will be no additions to the sales force. Sunland Sales also gains an advantage by having a more complete array of products to offer the trade.

Holt Is Sales Manager for Mennen Company

Walter W. Holt is now sales manager of the Mennen Company, Newark, succeeding W. M. Coatsworth. Mr. Holt has been assistant sales manager for the last year, and previously was with the United States Rubber Company.

Mr. Coatsworth is now general manager of the Veldown Company, Inc., New York, makers of rayon cellulose



S. E. Little

Little to Direct Sales of American Stove

S. E. Little, sales manager of the direct action division of the American Stove Company, has been promoted to chairman of the sales promotion committee of the company, and will devote his full time to this work. Mr. Little has been chairman of the committee for a number of years, but heretofore has been able to give it only part of his attention.

W. E. Kirby has become sales manager of the direct action division, and A. H. Rau will take over Mr. Kirby's former territory of Western New York.

P. M. Sourbeck, until recently sales manager of the new process division, has become manager of the oil and gasoline stove division, a new manufacturing division.

B. R. Tritton, credit manager of the Cleveland territory, is now in charge of sales of the New Process Stove Company division, and A. G. Prechtyl has succeeded him.

Nelson Groh has been appointed as-sistant sales manager of the Dangler Stove Company division.

National Trade Journals **Buys Five Publications**

National Trade Journals, Inc., announced this week the purchase of five additional publications—Architectural Forum, Heating and Ventilating Magazine, Good Furniture Magazine, Salesology and Specialty Salesmen bringing the total number of its publications to seventeen.

Playing Card Company Uses 150 Newspapers in Largest Campaign

One hundred and fifty newspapers are being used weekly by the United States Playing Card Company, Cincinnati, to advertise their "Bridge by Radio" campaign—the newspaper appropriation being the largest the company has ever had. The advertisements appear just before the "Bridge by Radio" games, and announce the hands to be played and the station and the newspaper tied up in the campaign. In the newspaper no mention is made of the United States Playing Card Company, as it is a general educational campaign.

In addition the company advertises their own products in color space in the Saturday Evening Post, Delineator, Good Housekeeping, McCalls and Woman's Home Companion.

Vending Machine Interests Will Convene in Chicago

The National Vending Machine Operators' Association and Vending Ma-chine Manufacturers' Association of America will hold an annual convention and exposition at the Great Northern Hotel, Chicago, January 28-30. Confectioners, advertising specialty organizations and novelty trades will be represented for the first time at the

George A. Grastorf, 4902 West Adams Street, Chicago, secretary, is in charge.

Business Paper Editors Elect Douglas Woolf

Douglas G. Woolf, of Textile World, New York, was elected president of the National Conference of Business Paper Editors, at its annual meeting in New York last week.

Other officers are G. D. Crain, Jr., of Class and Industrial Marketing, Chicago, vice-president; Earl G. Shaner, Iron Trade Review, Cleveland, treasurer, and T. H. Ormsbee of New York, secretary.

John D. Dunham Company and H. E. Lesan Advertising Agency of Illinois will be consolidated December 1 maintaining headquarters in the Tribune Tower, Chicago, and will be known as the Dunham-Lesan Company.

No changes will be made in the personnel in either organization. Officers will be H. E. Lesan, chairman; John H. Dunham, president; G. E. Ingham, executive vice-president; and H. R. Van Gunten, vice-president.

Discounts, Space Buyer's Work and National Rates Occupy AAAA

(The following story on the later meetings of the advertising agencies in Washington last week supplements the report on the earlier sessions in this publication November 17. Happenings on the final day occurred too late for publication in that issue.)

Slight increase in the practice of allowing cash discounts; the narrowing by many newspapers of the gap between local and national advertising rates; development of greater responsibility and skill in the media departments of agencies; endorsement of plans for the national Census of Distribution, and revision of qualifications for membership occupied delegates at the final sessions of the convention of the American Association of Advertising Agencies in Washington last week. The association also decided to hold its future meetings in the spring—the next to be held in Washington in

H. K. McCann of the H. K. McCann Company and John Benson will continue as chairman and president of the organization. Henry Ewald of Campbell-Ewald Company, Detroit, is vice-president; J. H. Cross of the J. H. Cross Company, Philadelphia, secretary, and E. De Witt Hill, McCann company, treasurer.

James O'Shaughnessy, who retired recently after ten years as executive secretary, was a guest of honor at the meeting. Mr. O'Shaughnessy is now advisory counsel to *Liberty* Magazine and to advertising agencies and other organizations.

Thirty newspapers have decided in the last year to allow the cash discounts, said Mr. Ewald in reporting for the newspaper committee, and none has withdrawn the discount in that period. With the Hearst newspapers, decision as to whether or not the discount be allowed now rests with the individual newspaper and not with the organization as a whole.

In an analysis of national and local rates of 8,492 newspapers, Mr. Ewald reported that 594 of those reporting in July, 1927, had local rates 15 cents lower than the national. Since that time 158 of these 594 have raised their local rates, but have not increased their national rates. Of 88 newspapers 54 showed a differential of from 10 to 33 per cent between the local and national rates and 34 out of 88 showed a differential of 33 to 53 per cent.

Most advertising agencies do not give enough authority to their media department, believed C. F. Kelly of Kelly, Smith Company, newspaper representatives of New York, in reporting to the convention the results of a survey of eighty-four special representatives. Mr. Kelly noted that the average head of a media department is underpaid.

He thought, also, as a result of the survey, that major executives and agencies should be kept out of media

McCann Wins Tax Suit as Personal Agency

Announcement was made at the close of the agencies' meeting in Washington last week that the H. K. McCann Company had won its petition against the Commissioner of Internal Revenue in which it sought to be classified and taxed as a personal service corporation.

In its opinion the United States Board of Tax Appeals pointed out that at the time the Revenue Act of 1918 became effective the work of the McCann agency was done by a few large advertisers, "all of whom had been procured by the stockholders.

"These clients were primarily interested in securing the personal advice and attention of these stockholders."

The court was "satisfied that neither the business nor the income of the petitioner was obtained because of the use of capital or credit and that capital was not a material income-producing factor."

selection; that the media men be given authority for final decision.

Mr. Kelly asked that agencies supply publishers with advance information as to cities in which campaigns will be run. It would save a great deal of unnecessary solicitation by newspapers in other cities.

He pointed out that it is not fair to buy newspaper space on the basis of "trade aid," that it is not the chief function of the newspaper to assist in selecting distributors, obtaining dealers' consent to use window material and doing other merchandising jobs. Briefly, Mr. Kelly sought fairer treatment of newspapers and their representatives by the agencies.

And they in turn, he said, would en-

deavor to reciprocate. The "specials," for instance, would try to sell themselves on their own merits without disparaging competitors. They would not make telephone solicitations, and each would file complete facts showing the quality of reader interest in the papers they represent.

Several changes were made in the qualifications for membership in the association—relating to compensation, competition and general practice.

The association reiterated its stand that the advertising agency should retain the full amount of compensation or commission granted by publishers without direct or indirect rebating, either in money, service or material. The agency should compete with fairness and honesty, secure patronage on

ness and honesty, secure patronage on merit and not by derogatory reference to competitors; never submit speculative copy or plan; and never offer extension of credit or banking service as an inducement.

The agency should also refrain from "preparing or handling" any advertising of an untruthful, indecent or objectionable character. It should not engage in the practice of attempting to obtain for advertisers that indiscriminate type of free publicity which has no legitimate news, educational or editorial value. It should observe a spirit of justice, integrity and honor in all relations with advertisers, publishers and allied industries.

Oakland-Pontiac to Have 40 Per Cent Sales Gain

An increase of more than 40 per cent in sales of Oakland and Pontiac sixes this year was predicted this week by W. R. Tracy, vice-president in charge of sales, in announcing the October volume of 17,232 units. Mr. Tracy anticipates that 270,000 of these cars will be sold. The total sales for 1928, up to the end of October, were 243,-111 units, Mr. Tracy said, while sales for the entire year of 1927 were 192,-000 cars. Last year's sales, however, were 40 per cent better than in 1926, when the introduction of the Pontiac six brought the Oakland Motor Car Company for the first time into the volume field.

One hundred and forty-five dealers have been added by the Reo Motor Car Company between August 1 and November 15, it was announced this week by C. E. Eldridge, sales manager

ager.
"We confidently expect that our dealer organization will have passed the 1,500 mark by the beginning of the peak sales months in the spring of next year," Mr. Eldridge said.

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Advertising

Largest Daily Newspaper in

Both in Circulation and Volume of

This year, although we have been using all six of the Los Angeles newspapers, more than half of our entire schedule has been carried by The Evening Herald. We have found this to be a most satisfactory arrangement.

J. A. DALEY President, Daley's, Inc.

It was in April, 1914, that the first link of the great chain of Daley's, Inc., link of the great chain of Daley's, Inc., grocery stores was opened in Los Angeles. It was located on Main Street between Second and Third Streets. Shortly afterwards a second store was opened on the corner of Avenue 26 and Dayton Street, which was said to be the first of the neighborhood chain grocery stores in Los Angeles.

Newspaper advertising on a limited scale was used with gratifying results, the first year a small schedule distributed among several of the Los Angeles dailies producing a gross business of approximately \$36,000.

The business grew steadily from the beginning; and as the newspaper advertising was increased, the volume of business mounted. More stores were established in other sections of the city and under the watchful eye of Mr. J. A. Daley the advertising was skilfully directed to produce the maximum of results. mum of results.

mum of results.

All of the Los angeles newspapers were used from time to time—but as a careful check of each advertisement was made for results, the powerful selling influence of one newspaper—The Los Angeles Evening Herald—became more and more evident. As a result, Daley's, Inc., began to concentrate a larger proportion of their schedules in this newspaper.

In October, 1928, Daley's, Inc., were operating 190 retail stores in the immediate Los Angeles territory.
It is conservatively estimated that these stores will do a business will do a business exceeding \$10,-500,000 this year. According to present schedules, Daley's, Inc., will use more than 85,000 Agate Lines of advertising space in the six Los Angeles Newspapers in 1928—and MORE THAN ONE-HALF OF THIS TOTAL WILL APPEAR IN THE EVENING

HERALD.

During the First Ten Months of 1928 Dale's, Inc., used 76,048 Agate Lines of advertising in the six Los Angeles newspapers, out of which 40,572 lines, or MORE THAN 53%, APPEARED IN THE EVENING HERALD ALONE.

Daley's, Inc., have adopted this policy of concentrating the major part of their advertising in The Evening Herald simply because it has proven more profitable for them to do so.



and I shall always be convinced that one of the strongest factors in the success of Daley's, Inc., has been the resultful advertising we have placed in The Los Angeles Evening Herald.

J. A. DALEY, President, Daley's, Inc.

FOOD ADVERTISERS

This is one of a series of testimonial advertisements recording the growth and development of the five large chain grocery organizations in Los Angeles—all of whom have been consistent and heavy advertisers in The Los Angeles Evening Herald. You will find these stories both interesting and informative.

They have impartially analyzed the pulling power the pulling power of all the Los Angeles newspapers by actually trying them, and they have found that the huge circulation of The Evening Herald, concentrated as its 96% right in is, 96% right in Los Angeles and its immediate suburbs, brings a greater number of customers into

their stores for each advertising dollar expended than any other news-paper—and that's about all any adver-tiser wants to know, anyway.

Other large Los Angeles organizations, including ALL the other large Chain Grocery Store Organizations, the Department Stores—in fact, nearly every partment Stores—in fact, nearly every large Los Angeles merchandising establishment whose advertising is definitely checked for results—are following this policy of concentrating the major part of their schedules in The Evening Herald. They know—as advertisers who investigate will know—that

Chain Grocery Store Advertising Lineage

All Los Angeles Newspapers—First Ten Months 1928

LOS ANGELES EVENING HERALD (Six issues 444,780 Agate Lines Second Paper (morning and Sunday)......148,274 Agate Lines Third Paper (morning and Sunday)......104,720 Agate Lines Sixth Paper (morning)...... 4,662 Agate Lines

The Evening Herald carries MORE Chain Grocery Store Advertising than all other Los Angeles newspapers, morning and evening, daily and Sunday COMBINED.

Any Schedule Designed to Cover Los Angeles Must Begin With The

LOS ANGELES EVENING HERAL

Represented in

New York Chicago San Francisco by by HERBERT W. MOLONEY, JOHN H. LEDERER, A. J. NORRIS HILL, 342 Madison Ave. 910 Hearst Bidg. 610 Hearst Bidg.

One of the Twenty-eight Hearst Newspapers Read by More than Twenty Million People

Member of International News Service and Universal Service Member of Audit Bureau of Circulations

Klein Reports Trade Expansion in Spite of Buyers' Market

"There is a deepening recognition on the part of the American business community that the most important problems of the immediate future are those concerned with marketing and distribution," asserted Dr. Klein, director of the Bureau of Foreign and Domestic Commerce, in his

annual report this week.

"American industry has made rapid strides in the past decade toward increasing the efficiency of manufactur-ing and productive processes," Dr. Klein added, "but progress in distribution has not kept pace. Much of the complaint about oversupply in various industries in reality has meant under-

distribution.

"Realizing this, the bureau last year expanded its work in costs of domestic distribution. Studies now being carried on point out some of the wastes in handling unprofitable commodities, and serving unprofitable customers, and are demonstrating that so-called hand-to-mouth buying in many instances is a problem of hand-to-mouth selling. Distributors have been so obsessed with the idea of business volume that they have at times lost sight of the fact that the small order may entail an actual loss to the seller, and that the greater the number of such orders filled the greater the possible loss and the greater the margin of profit that must be exacted from the large order end of the business.

"A point of particular importance in connection with the domestic trade of the United States," Dr. Klein said, "is the fact that during the past decade the country has changed from a sellers'

to a buyers' market.

"Consumers no longer are willing to accept commodities simply because they are offered. Distributors are finding that many articles which once moved rapidly are no longer in demand and cannot be handled at a

profit.
"The manufacturer or distributor who fails to take into account buying trends, commodity preferences and consumer habits is failing to make adjustment to modern conditions, and one of the major undertakings of the domestic commerce division of the bureau is concerned with a series of surveys designed to throw light on these obscure phases of domestic commercial technique."

Dr. Klein noted improvement in the country's general export position. "This improvement should be judged,

however, not simply in terms of gold values of goods sent abroad," he emphasized, "but in the larger aspects of the human equation. The welfare of all our people is bound up in our exports. Our foreign sales of farm products represent one-seventh or oneeighth of our total agricultural pro-

'The bureau's trade promotive work, both by its staff abroad and its organization in the United States, has been a vital factor in the steady expansion of American exports during recent years. That expansion has been particularly great in the case of manufactured goods, the class in which

selling effort counts most.

"It is only natural that, with the postwar recovery of agricultural production in Europe and the re-entrance into world markets of Australia and Argentina and other agricultural countries, the export of American farm products, especially foodstuffs, has de-

clined somewhat from its war peak.
"On the other hand, world demand for manufactured commodities, though affected indirectly by world crops, is steadier, but competition is vigorous, and with recovery of European industry, grows sharper year by year. Nevertheless, through efficiency of American factory methods this country has shared fully in the recovery and further advance of world trade in manufactured goods. American exports of finished manufactures last year reached the huge total of \$2,061,-000,000, 4 per cent larger than in 1926-27 and 70 per cent larger than in 1921-22."

Sponsor New York State Advertising Program

A new bill providing for an appropriation for advertising New York state will be submitted to the legislature when it meets this winter, Clarence C. Smith, secretary of the New York Development Association, Inc., Watertown, announced this week. A similar bill was introduced at the last session but did not get out of committee. "Probably emphasis in the bill will be placed on vacation and recreational advantages of the state,' Mr. Smith said.

Klau Van Pietersom-Dunlap-Younggreen, advertising agency, has moved to new quarters in the Commerce Building, Milwaukee.

Mr. Curtis Unknowingly Writes a Testimonial

Cyrus H. K. Curtis, founder of the Curtis Publishing Company, was a little surprised to see his picture in an advertisement in the Saturday Evening Post, one of his publications, the other day. The advertisement was inserted by the Simmons Company, bed manufacturers, and in it, in an interview with Cornelius Vanderbilt, Jr., Mr. Curtis told of the necessity for sound sleep. Mr. Curtis had talked informally with Mr. Vanderbilt on this subject a few weeks before. "The first knowledge I had of its use," Mr. Curtis explained to this publication, "was when a proof of the advertisement for the Saturday Evening Post, was shown to me."

Account Changes

MAY OIL BURNER COMPANY, Baltimore, to Lyddon & Hanford Company, New York, effective Decem-

ROLLS-ROYCE OF AMERICA, INC., Long Island City, New York, to Young & Rubicam, New York City.

LION KNITTING MILLS COMPANY, Cleveland, Ace Sport Cap, to the John S. King Company, Inc., there. Newspapers, trade journals and direct mail.

MERITOL CORPORATION, Des Moines, Iowa, to Cole's, Inc., there.

HEALTH PRODUCTS CORPORATION of Newark, Feen-a-Mint (export advertising) to Gotham Advertising Company of New York. Trade and consumer publications in a number of foreign countries.

INGERSOLL WATCH COMPANY, New York, to Erwin, Wasey & Company,

ALLEN-A COMPANY, Kenosha, Wisconsin, hosiery and underwear, to Heath-Seahoff, Inc., Chicago. Mag-

FRANK G. SHATTUCK COMPANY, New York, Schrafft's restaurants, to N. W. Ayer & Son.

CUBAN NATIONAL TOBACCO COM-MISSION, Havana, Cuba, to Samuel C. Croot Company, Inc., New York. Magazines to be used in holiday campaign on imported Havana cigars.



The Most Widely Read Issue of Any Railway Publication in the World

It is the compilation of railway statistics, much of which is available from no other source, that makes the Annual Statistical Number of the Railway Age the most widely read issue of any railway publication in the world.

It is because of this information that more than three thousand extra copies are bought each year by the railways in order that every important officer may have a copy on his desk for continuous reference throughout the year.

Railway Age statistics are recognized as a standard authority in all quarters.

The data in the Annual Statistical Number, secured by painstaking and costly effort, are compiled in logical form making a record of railway activity that is sought and used throughout the steam railway industry—in fact, throughout many industries the world over.

The great demand, extra circulation and constant use throughout the year, make the forthcoming January 5, 1929 Annual Statistical Number the greatest single opportunity for manufacturers and supply companies to reach railway executives, operating officials, purchasing officers and heads of departments. Forms close December 15, 1928.

Simmons-Boardman Publishing Co., 30 Church Street, New York, N. Y.

"The House of Transportation"

Chicago: 105 W. Adams Street Cleveland: 6007 Euclid Ave. Washington: 17th & H Streets, N. W. San Francisco: 215 Market Street

Annual Statistical Number

January 5, 1929 Issue



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Keeping the Old

and

Winning New

OLD readers are not easily weaned away . . .

The steadily increasing numbers of the new quickly fall into the ranks of "Constant Readers,"

And the reason? Absolute Reliability

Garbled or sensationally colored news stories and unreliable advertising find no place in the columns of the

Newark Evening News

New Jersey's Home Newspaper

Its Circulation Leadership and Advertising Prestige are founded upon sustained reader-interest during its 45 years of service to the public. Young and old; rich and poor; the worker and the man of affairs, in steadily increasing numbers, daily receive it into their Homes as the one newspaper—interesting, readable, reliable.

DAILY CIRCULATION

as per sworn statement to the Federal Post Office Department, Sept. 30, 1928

137,602

90 P.C. Home Delivered

FIRST in NATIONAL ADVERTISING

Among all six-day newspapers in the United States

Newark Evening News

Always Reaches Home

EUGENE W. FARRELL
Business and Advertising Manager
215-221 Market Street, Newark, N. J.

O'MARA & ORMSBEE, INC.

General Representatives

New York Chicago San Francisco Detroit

Home Incinerator Puts Over New Product by Asking Questions

Mr. Socrates' method of question-andanswer worked overtime for the Home Incinerator Company of Milwaukee in developing their product, the Incinor, and in finding a nation-wide market for it in the first year of its introduction.

The answers to questions put to sixtyfive combustion engineers were incorporated in the construction of the new incinerator. And from personal interviews with 100 dealers, several hundred users and several hundred prospects came the material for the company's advertising copy.

"Since Incinor is a gas appliance," said W. R. Lacey, vice-president, "the logical class of dealers are those gas companies who merchandise appliances.

"We realized in order to get their business we would have to have an appliance which met their technical requiréments. All of the larger gas companies and many of the smaller ones conduct gas appliance testing laboratories under the supervision and direction of competent combustion engineers.

"Our first step, then, was to get the approval of these laboratory engineers. We didn't always go through with flying colors. Each engineer is an individual and has his own ideas based on his training and his experience. Frequently in order to gain the approval of some particular laboratory, we would have to incorporate the laboratory engineer's suggestions in our construction. Many of these were very valuable suggestions, some of them of minor importance.

This was the first step in getting our company ready for an important and extensive national advertising and sales promotional program.

"Our second step was dealer representation. This was obtained by a great deal of hard work and preliminary development work the past four or five years, so that when we went into this program the first of this year, we had 435 dealers scattered all over the country. Since that time we have added, roughly, another hundred.

"Erwin Wasey & Company, our advertising counsel, set to work, the first of the year, on two surveys by interviews

"First, they talked personally through their representatives with a hundred or more of our dealers, some of them very active, some fair and some almost inactive.

"Second, they interviewed several hundred of our users to get their opinion

and experience. In addition to that, each of the executives and department heads of the agency bought an Incinor for his own home in order to have personal experience with it.

"Third, they interviewed several hundred home owners who were logical prospects for Incinor and who were not using them.

"Last May our fourteen wholesale representatives went out to call on our dealers and prospective dealers with a portfolio showing the complete program, including the direct mail activity put on by the dealers during September and October. This tied in with the national advertising. men were successful in getting 60 per cent of our dealers definitely committed to the Incinor activity these two months, and tying in with our standard display and direct mail and local newspaper advertising program. The reports from our dealers are very encouraging and very satisfactory. Many of them are going beyond our expectations in sales.

Knit Underwear Makers Established Institute

Decision to rename the Knit Underwear Manufacturers of America, the Knit Underwear Institute, and removal of the headquarters of the organization from Utica to New York City, was decided upon at the annual meeting at Utica last week.

In urging the change to an institute, Roy A. Cheney, executive secretary, explained that they could include regional groups and those based on the various fabrics, such as wool, balbriggan and rayon. Other groups could represent the jobbing and retail trade, he pointed out, and the retail group could be subdivided to embrace the men's, women's, children's and infants' garments. Need of more definite statistical information on the industry is great, he pointed out, in addition, cost work should be extended, particularly in merchandising and selling.

Gardner Osborn, vice-president and secretary of Reimers & Osborn, Inc., New York agency, has become director of publicity for Bloomingdale Brothers, department store, there. The name of the agency has been changed to Reimers & Whitehill, Inc., and Richard Webster, vice-president, has become secretary. No other changes are being made.



The Oregonian COOKING SCHOOL

... an institution among the homemakers of Portland

every part of Portland . . . from the surrounding towns . . . from the villages and the country . . . from everywhere, it seemed . . . came hundreds of homemakers-all eager to learn, to know about the latest developments in cooking. As many as 2,000 women attended a single day's lectures!

For seven years The Oregonian has held annual cooking schools. Each has been increasingly successful . . .

THAT an outstanding success it was! From each has created vastly more interest than the preceding one. Today, Oregonian Cooking Schools are widely known and followed . . . they are an institution among the homemakers of Portland and the surrounding territory! * * * * * * * * * * * *

Oregonian leadership in domestic science, home economics and all women's subjects makes it the greatest force in the Oregon Market for food advertising!

egonian

Circulation: over 106,000 daily; over 160,000 Sunday

Nationally Represented by VERREE & CONKLIN, INC.

NEW YORK 285 Madison Avenue

CHICAGO 333 N. Michigan Avenue

DETROIT 321 Lafayette Boulevard SAN FRANCISCO

PORTLAND'S PREFERRED NEWSPAPER



FREE

To Executives...

New Chain Drug Store Pink List

Write for It!

The revised and corrected Topics Publishing Company Chain Drug Store List has been received from our printers.

The Pink List has been corrected to show the addition of hundreds of new drug stores to older chains and gives as well the names of many new chains formed during the past year, with full information as to their size and territories covered.

Copies are available for immediate distribution and will be mailed without charge to drug trade manufacturers, a d v e r t i s i n g agents, account executives, etc.

Write today asking for Topics Publishing Company Chain Drug Store Pink List "B." Address—

TOPICS PUBLISHING CO., Inc. 291 Broadway New York City

Publishers of

Drug Topics - Wholesale Druggist Display Topics - Drug Trade News

An Outline of Mergers

(Continued from page 481)

Mr. Towle's idea never got beyond the discussion stage. It is interesting to note, however, that his idea closely parallels the present plan of the Postum Company, Inc. Mr. Towle did not contemplate the merging of the properties of the cooperating companies. His scheme was merely to have the salesmen of each company act as agents for all other companies in the affiliation.

While the Postum plan is to merge all constituent companies, it really accomplishes very little more than what Mr. Towle had in mind. The various manufacturing plants are practically as independent as they were before entering the combine. Production is carried on in the separate factories as it always was. Only the sales and advertising departments have been consolidated. Most of the objectives that the Postum Company, Inc., expect to put over are marketing goals. The savings that it hopes to effect are, for the most part, selling economies.

Postum Line Split Up

The Postum management has not found it practicable to have one sales force sell the entire Postum family. It was discovered that it is necessary to split up its line among several separate marketing organizations. In this detail its methods differ somewhat from what Mr. Towle visioned. He thought it would be possible for each salesman in the pool to sell a half-dozen lines. He foresaw that the savings to be gained through cooperation would be in marketing rather than in production. He thus anticipated the Postum type of merger by at least fifteen years. It is significant that Mr. Towle's product, Log Cabin syrup, is now one of the conspicuous members of the Postum group.

The Postum kind of merger is really an innovation in industrial consolidations. Its peculiar type of set-up has been approached before, but no merger of the past ever went so far to retain the individualities of the enterprises that were taken over as Postum is doing. The National Lead Company has kept active the principal brands that it took over by tying them up with Dutch Boy. It has also given free rein to a number of acquired units, which are still operated as subsidiaries under their old names. The United States Steel Corporation also has retained the in-

dividualities of quite a few of its constituent organizations, but these units are independent in name more than in fact.

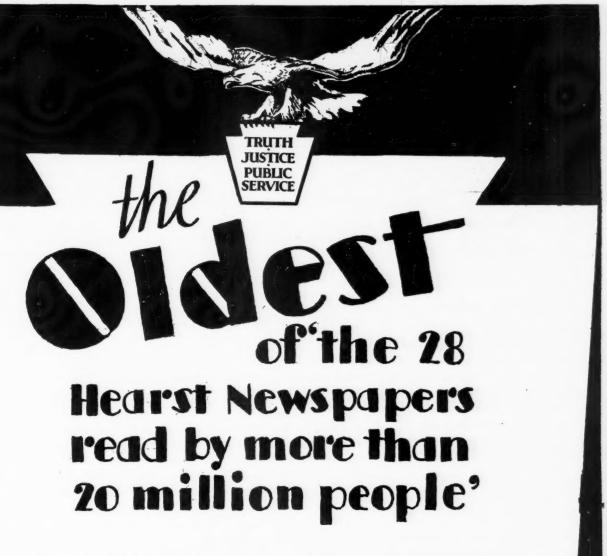
The Postum school, however, is being watched throughout the entire commercial world with the keenest interest. If the type proves to be as successful as is anticipated, it is likely that a good portion of the consolidations of the future will be along Postum lines. Already quite a few of the mergers of the last five years have been fashioned according to the Postum model.

N. B. C. Type of Merger

The majority of the present-day mergers, however, are what we might call the National Biscuit Company type. The National Biscuit Company was one of the first of our modern mergers. It was organized just thirty years ago—in 1898. A. W. Green, a lawyer, was its promoter and its executive head until his death many years later. Mr. Green conceived the idea of forming a lot of small, competing, struggling local cracker bakers into one large concern. The bakers that went into the combine lost their Whatever brands they had identities. were eventually scrapped. Their plants were retained, but to these the name of the new corporation was attached. The National Biscuit Company, not its constituents, was exploited. It designed new packages and built new trade-marks. The names of the companies in the consolidation, their packages and trade-marks were soon forgotten.

There is no way of comparing the National Biscuit Company's selling expense with what it formerly cost the composing concerns to sell their goods. It is very likely, though, that the National greatly reduced the cost of selling crackers. It is true that the new organization advertised on a sensational scale for many years. also sent out more salesmen than were ever employed before to sell a line of that kind. The National spent more money for advertising and for salesmen than all the units combined spent before they joined the "trust," as all mergers were called in those days. But the National advertised so effectively and employed its salesmen so profitably that, although its actual investment in selling was larger, its volume climbed so high that the cost of sales, as measured in percentages, dropped to

a low figure.



Forty-one years ago the corner-stone of the great Hearst Newspaper Organization was laid in San Francisco—The San Francisco Examiner. Within nine years the Hearst policy of "Truth, Justice, Public Service" brought The Examiner to a position of leadership which it since has maintained.

Today The San Francisco Examiner remains supreme — as it has for 32 years—in number of readers and volume of lineage in the rich territory it serves. FIRST in Circulation . . City, Suburban, Total. FIRST in Advertising . . Local, National, Classified, Total.

FOURTH IN NATIONAL ADVERTISING LINEAGE AMONG U. S. NEWSPAPERS FIRST WEST OF CHICAGO

San Francisco Examiner

Member International News Service and Universal Service Member Associated Press Member Audit Bureau of Circulations **EMPTY HOUSES IN**

OMAHA

NOW TOTAL

LESS

THAN

3%

of the city's 50,000 detached homes

There are 436 fewer vacant houses and 1,792 more water meters than in November, 1926.

The total—2,228—may be safely taken as the increase in the number of families in Omaha.

This estimate is backed up by a corresponding increase in the net paid circulation of the World-Herald in Omaha, to wit: Daily, 2,643 daily; 3,181 Sunday.

World-Herald circulation keeps a trifle ahead of the number of families in Omaha. Every day the World-Herald sells and distributes one copy for each of the city's 51,814 families—and 2,800 more. A total of 54,614 net paid circulation in Omaha.



Total Net Paid Circulation

DAILY

October, 1928 - 129,741 October, 1927 - 117,791

SUNDAY

October, 1928 - 129,958 October, 1927 - 118,720



The OMAHA WORLD-HERALD

83% Carrier Coverage in Omaha

O'MARA & ORMSBEE, INC., National Representatives

New York Chicago Detroit San Francisco Los Angeles For years a great many mergers were cut according to the National Biscuit pattern. Even to this day it is one of the best-selling patterns in the merger department store. The pattern calls for economy both in production and distribution. Duplicating machinery in manufacturing and in selling is wiped out. Separate advertising departments are discontinued. All advertising is carried on in the name of the consolidation. Selling is centralized in one sales force.

The consolidation may or may not employ fewer salesmen, depending on how well manned the sales forces of the units were before they were absorbed. Usually there is a reduction.

Decrease in Advertising

Generally there is a decrease in advertising, despite the fact that most well-organized consolidations turn out to be strong advertisers. The reason for the decrease is that before the merger two or three of the houses were consistent advertisers. The chances are that all of the units did some advertising, unless it happens to be a non-advertising industry. With the advertising concentrated in one name, there is bound to be less of it than when several concerns are doing their tooting.

As a rule the most vigorous selling is done by specialty houses-concerns with a single product or a small line. Oddly enough, the promoters of mergers regard such houses as the most likely subjects for consolidation. It is reasoned that by uniting two or more established products under one head that the group can be sold at a much lower cost than can a single article. It is figured that practically the same effort that sold the specialty can also sell the group. Thus the vigorous selling that used to be applied to the one product is transferred to the enlarged line, with a consequent reduction in the number of men required to sell the group.

Two mergers of this calibre occurred in the machine tool industry—Consolidated Machine Tool Corporation of America and Niles-Bement-Pond Company. The first combine took in the Newton Machine Tool Company, the Modern Tool Works, the Betts Tool Works, Hillis & Jones Company and the Colburn Machine Company. These concerns made small tools and grinders, general machine tools, heavy machine tools, punches, shears and high-production machine tools. The merger thus gives the Consolidated quite a wide and varied line of machine tools.

Niles-Bement-Pond Company is likewise the union of a number of manufacturers. It includes Pratt & Whitney Company, which is still operated as an independent entity. This latter company controls another unit, known as Pratt & Whitney Aircraft Corporation. Niles-Bement-Pond Company make an extensive line, such as planers, lathes, boring mills, milling machines, heavy railroad machinery, traveling cranes, small tools, gauges, precision tools, etc.

The theory back of both these consolidations is that it is cheaper to sell a large line than a small one. It is argued that the concern that manufactures only planers is bound to have a proportionately larger advertising and sales expense than the company whose line includes planers, lathes, boring mills, cranes, gauges and several other things. Whether or not this argument is soundly based we will discover later in this series.

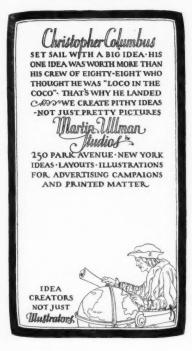
Or take the case of the Northam Warren Company. This concern has been a large advertiser for years. For a long period its annual appropriation approached the half-million-dollar figure. For a long time the Warren line consisted wholly of Cutex. Its selling cost was admittedly high. When this company purchased Creme Elcaya, a couple of years ago, it certainly imposed no great increase in the selling burden of its salesmen and undoubtedly the above reduced the concern's selling percentage somewhat.

Lower Selling Costs

Combinations such as that of the American La France Fire Engine Company with the Foamite-Childs Corporation almost invariably result in lower selling costs after a year or two. The same thing happens after mergers occur, such as the National Radiator Corporation put over not so long ago. This company acquired half a dozen manufacturers of rival heating equipment. By consummating the deal the organization built a more complete line and removed some bothersome competition.

We often hear salesmen say that they cannot sell a line because it is too one-sided, not varied enough to interest buyers. The salesmen of the Acoustic Products Company will not be able to offer this excuse. This recent consolidation intends to offer everything in the way of sound-reproducing apparatus. Thus the company can boast that it is a manufacturer of a complete line. This will give it the voice of authority—a tremendous asset in marketing delicate equipment.

David A. Schulte has been connected with this merger business for a good many years. He has merged about everything in sight in the fields in which he is interested. In recent weeks he has been concerned with

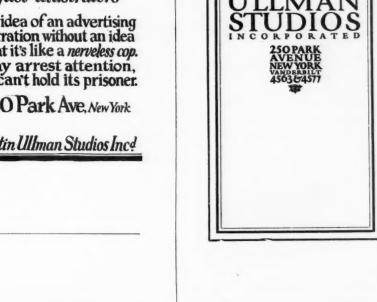




Our idea of an advertising illustration without an idea is that it's like a *nerveless cop*. It may arrest attention, but can't hold its prisoner.

250 Park Ave, New York

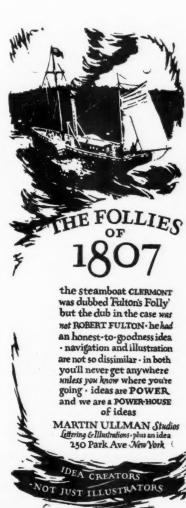
Martin Ullman Studios Inc.



PICTURES LOUDER OVEN
HOLLER LOUDER OVEN
HOLLER LOUDER OVEN
THE FELLOW TO
THE FELLOW MIGHT
WHOM TON YOUR
SAY PUT ON YOUR
SAY PUT ON YOUR
HAT HERE COMES a woodpecker Crasps in a Twinkling THE ILLUSTRATED IDEA WE CREATE

MARTIN ULLMAN Studios Inc. 250 PARK AVENUE NEW YORK

IDEA CREATORS





Once upon a time, we, too, worshipped art for arts sake. It was poetic, but not eupeptic. We've switched to art to allay stomach's ache. Pictures that bring home the bread & butter for us and the bacon for the advertiser. Before we get down to the less important job of illustrating we get up the all-important idea to illustrate.

MARTIN ULLMAN STUDIOS New York 250 PARK AVENUE

IDEA CREATORS



Cases that help sell the product that's carried by handportable typewriters, phonographs, sewing machines, cosmetics, or what have you. Deluxe display and sample cases for salesmen.



Sample, or display, kits for everything from soup to shoes -make your best salesmen better.



Sample trunks and fibre cases -by appointment to America's Best Concerns. The



W. W. Winship & Sons, Inc. Utica, N. Y.

your particular product.

39-41 West 32nd Street, NEW YORK CITY

61 Summer Street, BOSTON

three mergers of importance. He announced that the Park & Tilford Grocery Company, which he took over several years ago, would presently engage in a rapid expansion program, opening several hundred quality grocery stores.

Closer, however, to the phase of the subject which is being treated in this article is the consolidation which Mr. Schulte is building around Otto Eisenlohr & Brothers, Inc., wellknown cigar manufacturers. companies are being combined under the name of Webster-Eisenlohr Company. It is claimed other units may be added and that eventually this organization will be the most powerful cigar manufacturing outfit in existence.

Though he is on his honeymoon as this is being written, Mr. Schulte has had time to pull off still another merger. This consists of a combination of V. Vivaudou, Inc., the American Druggists' Syndicate and the KNY-Scheerer Corporation of America. The business is to be operated under the name of the Vadsco Sales Corporation. Mr. Schulte was, of course, heavily interested in at least two of the above concerns. Included in the Vadsco Sales Corporation will be the following subsidiaries, already controlled by Mr. Schulte: Alfred H. Smith Company, Parfumerie Melba, Inc., Delettrex, Inc., and Kleanwell,

A Tighter Organization

Obviously the purpose of this consolidation is to bring about a tighter organization. It is felt that noticeable marketing economies should follow the combining of all these concerns under a central operating company.

Among other recent mergers that expect to be able to do business at a lower selling cost, as a direct result of the consolidation, are the follow-

The Nehi-Chero Cola Company combination

The Atlas Plywood merger Royal Dutch Shell-Flinkote Company

Evans-Wallower Lead Company

Bristol-Myers Company-Frederick F. Ingram Company merger Nedick Orange Juice-Robert L.

Hatch Corporation merger Anchor Cap Corporation merger Anglo-Oriental Mining Corporation

Wright & Ditson-A. J. Reach Com-

Quaker Oats-Aunt Jemima-Muffets

Continental Can Company-United States Can Company merger

Reynolds Metals Company merger Associated Dyeing and Printing Corporation merger

National Rubber Machinery Company merger

Safe-T-Stat Company-Nagel Electric Company merger

Acme Glass Company-The Eastern Glass Company merger

The Davison Chemical Company

Joseph T. Ryerson, Inc.-E. P. Sanderson & Company merger.

There is another group of mergers that also plan to lower the cost of selling, but they are pursuing a much different means toward their goal. Instead of increasing their lines, with the intention of decreasing the cost of selling each item, as are the consolidations that I have just mentioned, this other group is trying to arrive at lower costs by removing some competition.

Over-Populated Industries

Many industries are over-populated with competing houses. In some of these fields there isn't enough business to be had to give a profit to all contenders in the market. The cost of selling is necessarily very high in these industries. If some of the contenders on these fields could be eliminated, there would be more business to divide among the remaining concerns. It is clear that their cost of selling would decline. Thus we find numerous mergers aim directly at diminishing the amount of competition in the industry.

For instance, there is the general mail-order business. It appears to be in for lean years. Hence consolidations among the houses in the field are under way. Several years ago the old National Cloak & Suit Company bought the Bellas Hess Company and has since been operating as the National Bellas Hess Company. Recently the National took over the Charles Williams Stores. Since the combined organizations can now issue a joint catalogue instead of separate books, as formerly, quite a saving should result from this item alone.

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I believe the Charles Williams Stores ran a two million catalogue issue. It cost them on this quantity about sixty cents a book for production and about fifteen cents for distribution. That totaled seventy-five cents a book or \$1,500,000 for the run. Since the company did a business of \$17,000,000 annually, this one catalogue cost nearly 9 per cent of sales, and of course there were special issues in addition. Thus the merger will knock off a nice slice of the cost of getting business, granting, of

NATIONAL ADVERTISING RECORDS

(Est. 1925)

1. Advertising Agencies:

All Agency Principals, Account Executives, Space Buyers and Heads of Research Departments require accurate, detailed and unbiased information regarding the activities of clients' competitors in order to efficiently plan and guide the expenditures of their clients in various product fields. In similar manner, the activities of prospective clients may be most intelligently and effectively studied.

In the national fields of General Magazines, Farm Publications and Radio Broadcast advertising—these being the three important fields covered by N. A. R. service—the amount expended by any individual Advertiser as well as the size of space and the publications used, are immediately available each month of the year. A convenient cross reference is given whenever an Advertiser is using two or more of these fields in any current month.

As a guide to the Space Buyers, N. A. R. Monthly Analysis of Publication Advertising offers an index of the activity of each publication in the volume of advertising carried monthly in each product field.

2. Publishers:

The successful Publishers of national magazines are especially dependent upon a complete knowledge of what Advertisers are using space each month, in not only competitive media, but in the entire national magazine field. N. A. R.'s method of listing each Advertiser under a separate product classification, with complete list of publications and space used, and the space used also translated into dollars expended, keeps all Publishers fully informed regarding their national advertising market. The further fact that so large a group of national magazines are shown in N. A. R.'s service, gives all Publishers a more complete visualization of the concerns who advertise in the national magazine field than can be gained through any other source. It is estimated that fully 90 per cent of the National Magazine advertising volume is represented in the publications listed monthly in N. A. R. service.

The N. A. R. Monthly Analysis of Magazine Advertising enables Publishers and representatives to compare the advertising volume carried by their own national magazines in every product field with, not only competitive media, but with all other publications in the national field.

3. Advertisers:

National Advertisers who are extensively operating in the National field require a more broad visualization of competitors' activities than that shown in any single product field of N. A. R. For such Advertisers, N. A. R. complete service is more desirable as it enables a comparison to be made of the Advertisers in one or more product fields with those of all other product fields. Such a visualization is important and is so regarded by many leading National Advertisers who are subscribers to N. A. R. complete service.

The BLUE BOOK

of Advertising Records

covering the

NATIONAL

Magazine, Farm and Radio Broadcasting Fields

A few of the more prominent N.A.R. Service Subscribers

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Atherton & Currier N. Y.
Barton, Durstine
& Osborn N. Y.
George Batten CoN. Y.
Blaker Adv. Co
Calkins & HoldenN. Y.
Campbell-Ewald Co Detriot
Chappelow Adv. CoSt. Louis
D'Arcy Adv. CoSt. Louis
Dorrance-Sullivan & Co., N. Y.
George L. Dyer CoN. Y.
Erwin, Wasey & CoChicago
Federal Adv. AgencyN. Y.
Ferry-Hanley Adv. Co. Kan. C.
Charles Daniel Frey Chicago
Fuller & SmithCleveland
Gardner Adv. CoSt. Louis
M. P. Gould Co N. Y.
Chas. W. Hoyt Co., Inc. N. Y.
Ralph H. Jones Co Cinn.
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Keelor & Stites CoCinn.
H. E. Lesan Adv. Agcy. N. Y.
H. K. McCann Co N. Y.
MacManus CoDetroit
Manternach Co Hartford
Newel-Emmet Co New York
George Harrison Phelps.
IncDetroit

Publishers

American Boy
American WeeklyN. Y.
Asia
Atlantic MonthlyBoston
Capper Publications N. Y.
Chicago American Chicago
Chicago Tribune Chicago
Christian HeraldN. Y.
Christian Science M'tor. Boston
College Humor Chicago
Conde Nast Pub
Crowell Publishing CoN. Y.
Editor & PublisherN. Y.
ElksN. Y.
Farm JournalPhila.
Holland'sTexas
HovseholdChicago
International MagN. Y.

Life
Literary Digest N. Y.
Meredith Pub. Co. Des Moines
Nation's Business Wash.
NeedlecraftChicago
New York Times
OutlookN. Y.
People's Home Journal N. Y.
People's Pop. Monthly Iowa
Popular Science Monthly. N. Y.
Printers' Ink Pub. Co N. Y.
A. W. Shaw Chicago
Shrine
Scientific American N. Y.
Smart Set
Time
True Story N. Y.

Advertisers

Berkey & Gay
Furniture CoG. Rapids
Champion Spk. Plg. Co. Toledo
Cunard Steamship CoN. Y.
Daggett & RamsdellN. Y.
Eastman Kodak Co Rochester
Fisk Tire Co., Inc Mass.
General Elec. Co. Schenectady
Hoosier Mfg. CoIndiana
Hoover CoChicago
Hurley Machine CoChicago

Indian Refining C	oIllinois	
Internat'l Silver	CoMeriden	
Ipswich Mills	N. Y.	
Johns-Manville Co	orp N. Y.	
Mohawk Carpet M	fills,	

Amsterdam, N. Y.
Packard Motor Car Co..Detroit
Palmolive-Peet Co.....Chicago
Ponsell Floor Mach. Co., N. Y.
Remington Typew'er Co..N. Y.
Stromberg-Carl. Mfg. Co.Roch.

Associations, Etc.

American Ass'n. of	Barron G. Collier N. Y.
Adv. Agencies N. Y.	Gen. Outd'r Adv. Co., Inc. N. Y.

Specimen Pages and Details on request to

DENNEY PUBLISHING CO., Inc.

245 Fifth Avenue, New York City

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special merger the cost ng, of Published monthly, supplemented with bulletins and covers daily newspapers, farm papers, general magazines and business papers.

To select the proper advertising mediums, you need

STANDARD RATE & DATA SERVICE

I T GIVES up-to-the-minute information on rates, discounts, color and cover charges, special positions, classified advertising and reading notices, closing dates, page and column sizes — and circulations on publications in the United States and Canada.

--- USE THIS COUPON! ---

Special 30-Day Approval

Order

..... 192....

Standard Rate & Data Service, 536 Lake Shore Drive, Chicago, Illinois.

You may send us—prepaid—the current number of Standard Rate & Data Service, together with all bulletins since it was issued, which we are to have the privilege of using 30 days. If we are not convinced of the value of this Service at the end of that time, we shall return the issue and our obligation is ended. Otherwise, you may consider us subscribers and send a revised copy each month for one year. The service is to be maintained by bulletins issued every other day.

Firm Name		
Street Address		
City		
State		
Individual Signin	g Order	
Official Position		

course, that the consolidation can retain the Charles Williams customers.

The coal and ice business is another highly competitive line. With the large number of concerns in it it is almost impossible to make the business pay. To complicate matters, outside competition is cutting in heavily on this field. Electric refrigerators for homes are hurting the ice manufacturers and distributors. And oil burners are playing havoc with the retail coal business.

For this reason there have been a number of mergers in this industry. One of gigantic proportions was consummated in recent weeks—that of the National Service companies. The merger has been under way for five years. During this period ninety-two operating units were absorbed.

Insurance Mergers

I think most insurance men will admit that there are too many insurance companies, particularly fire insurance companies. So this is a promising field for mergers. A big consolidation took place in this line the other day. In fact it was the biggest merger that has ever been witnessed in the fire insurance world. The National Liberty Insurance Company combined with the Home Insurance Company. Both of these companies already controlled groups of considerable size, so the resulting merger is of towering stature.

The competition-removing merger will make tremendous strides in the next few years. There is absolutely no danger of running counter to the Sherman and Clayton laws. How does the merger of ten or twelve houses interfere with competition in a market where there may be hundreds of competing concerns? All these mergers can do is to take the violence out of competition. They cannot eliminate competition altogether and neither do they aim to do so.

The coal mining business is an illustration. There have been very few mergers in this industry and none of any importance. It is generally admitted among coal men that the industry will not be prosperous again until superfluous properties, the excessive number of operators and miners and the heavy duplication in distributing machinery have been eliminated. The only way this can be accomplished satisfactorily is through consolidation.

It now costs the operators from five cents to more than fifty cents to sell a ton of coal. The latter figure is more frequently approached than the former. I am told by authorities in the business that if the excessive competition could be removed the operators could sell their coal at wholesale at a selling cost of ten or twelve cents a ton.

With such an abundance of opportunities for consolidation the end of the merger epidemic is not in sight.

The Sales Managers' Book Shelf

(Continued from page 496)

Analysis, perhaps the best in the book.

A few more quotations: "Trade names as a specific aid in marketing... of outstanding importance... a remarkable psychological appeal... Advertising... can be made a most effective sales medium if placed wisely after an exhaustive market study. Advertising shot into the air is wasteful... The modern traveling salesman is not keeping pace with the rapidly accelerating movement in marketing and distribution... The salesman of the future will be an executive with a comprehensive knowledge of scientific management."

E. E. Calkins on Advertising

Yes, you have read his books, but we imagine you missed the remarkable 5,000-word essay entitled "The United States of Advertising" in-of all places-the Saturday Review of Literature for November 17. The last half of it is particularly good-on our national adaptability to advertising. (Hence the title.) The United States and its inhabitants are singularlike-minded—standardized. advertising is far more engaged in exploiting like-mindedness than creating it. . . . Nowhere in the whole world are there so many people surrounded by the same paraphernalia, doing the same thing in the same way at the same time. The success of advertising is due to the fact that the American people do not mind buying and using exactly what their neighbors buy and use, that they rather prefer Advertising has profited by a standardization brought about by the ease of communication and the disposition to take stock of one another. . . It owes its existence, or at least its growth, less to the desire to sell than to the will to buy.'

Strangely enough, the biographical and bibliographical note on Mr. Calkins in the Saturday Review does not mention "Business, the Civilizer," his latest book.

The Mail Advertising Service Association, International, has moved its headquarters to 2 East 23rd Street, New York City.

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Industrial and Distribution Center of the Southwest-Twelve Million People

-Six Billion Dollar Market • • • • •

presents specific opportunities to manufacturers in 18 major lines

Is yours included?

1. Glass Bottles and Jars

2. Pottery and Porcelain Ware

3. Canning and Preserving

4. Boots and Shoes

5. Leather Goods

6. Men's Clothing

7. Women's Clothing

8. Cotton Goods

9. Knit Goods

10. Dyeing and Finishing

11. Cotton Small Wares

12. Furniture

13. Wood Work

14. Paints and Varnishes

15. Soap and Perfume

16. Drugs, Cosmetics, etc.

17. Agricultural Implements

18. Gas and Oil Stoves

DALLAS brought industrial engineers to her city . . . they worked, they studied, compared conditions, resources and trends in Dallas and the great Southwest, and reported . . . that nowhere in the country were conditions better suited for industry than in this territory! The engineers declared that uncommon opportunities exist here for new manufacturers—especially for the 18 industrial classifications shown here, although there are excellent manufacturing opportunities in many other lines. Your investment in manufacturing facilities to serve this great Southwest Empire will show a greater return, and have a certain factor of safety, unsurpassed by any other geographic division. Check the reports below that you wish to receive. No. 4 is essential-we have checked it for you.

Any one or all of these special reports free to executives



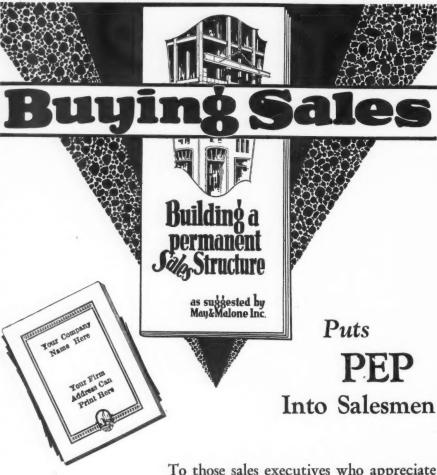
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2.	The Southwest—Six Billion	M 4.	Industrial Survey of Dallas	

2.	The Southwest—Six Billion	4. Industrial Survey of Dallas	
	Dollar Market	5. Dallas as a City in Which to Li	ve

6. The Growth of Dallas 7. Texas Corporation Laws



This valuable book, profusely illustrated, is a part of our plan to help you "build a permanent sales structure."

To those sales executives who appreciate the value of new, stimulating ideas for the sales force—who appreciate new data on setting sales quotas—this booklet, BUILDING A PERMANENT SALES STRUCTURE, will be welcome.

In addition to the book your request will bring other interesting and valuable sales building helps such as have been used with pronounced success by sales executives in practically every type of business enterprise.

> Just clip the coupon below No obligation—no red tape

MAY & MALONE, Inc.

Wholesale Dealers

37 So. Wabash Avenue, Chicago, Ill.

	MAY & MALONE, Inc. 37 S. Wabash Avenue,
	Chicago, Ill.
	Gentlemen:
	Send along my copy of BUILDING A PERMANENT SALES STRUCTURE and other sales building helps as described. Also send a copy of the new 1929 RED BOOK, together with other interesting and valuable sales building helps.
	Sales Manager
	Company
	Address

Business Indices

Unprecedented transactions on the stock exchange last week were so conspicuous a factor in the general situation that some observers were inclined to consider the abnormal speculative activity as an element to be reckoned with in the commercial outlook. It was noticed that total transactions, as reflected by the bank figures, were slightly under the level of last year. The fact that money rates, though still high, did not advance was regarded as a reassuring feature. Distribution of goods continued in much larger volume than in 1927, but less than in 1926 and not quite equal to 1925.

Volume of Transactions

Bank clearings for the week ending November 14 totaled \$12,154,742,-000, a gain of 12.9 per cent over 1927, due almost entirely to New York. Among the other twenty-two cities there were small gains in nine cities and small loses in thirteen, with a net decline for the twenty-two outside cities of 3.3 per cent. Debits against individual accounts amounting to \$17,461,550,000 were a shade lower outside New York, five districts being down. In New York the gain was 21.6 per cent, while the whole sum was up 12.7 per cent.

Distribution of Goods

Railroad freight in the week ended November 10 filled 1,053,295 cars, 78,161 more than in 1927 but 53,594 less than in 1926 and 9,351 under 1925. All classifications except livestock were higher than last year, notable gains being made in miscellaneous, coal and ore. Merchandise gained 2,992 cars. Compared with 1926 only grain and ore were up.

Margin of Profit

The slight recession in commodity prices which has been going on for the prior five weeks came to an end in the week ended November 24, the Irving Fisher index advancing very slightly.

Credit Conditions

Money rates were substantially unchanged from those of the week before. Call money ended at 6 to $6\frac{1}{2}$, time money at $6\frac{1}{2}$ to 7 and commercial paper at $5\frac{1}{2}$ to $5\frac{3}{4}$.

To the increased use of radio is attributed a large part of the 15,000,000 sales of sheet music and books of music in the United States last year. This figure represents an increase of 10 per cent in the past two years and in the number of music publishing houses of 9 per cent.

The President Writes to His Salesmen

(Continued from page 485)

that it has taken us years to build up our organization. We can buy with money any other asset; but we can't buy men. That is why I want to remind you that all the equipment we furnish, all the sales help we give you, is no better than you make it. One man could take all our sales help and go out over a territory and, to save his soul from perdition, couldn't sell a dime's worth of our merchandise. But any one of you men can go into a territory and turn in thousands of dollars' worth of orders. So I repeat—it is a problem of individual ability, personality and hard work—a problem of man power, which is another way of saying brain power.

In my travels I occasionally meet salesmen who brag and boast that their lines are so well known and so well advertised that the trade is compelled to buy. I hope none of our men ever feel like that, much less talk like that. I don't want to feel that way myself, and I don't. I want always to feel that a customer trades with us at least partly because he likes our salesmen and likes our house and enjoys doing business with us.

Friendliness Gets Business

There is a certain salesman who comes in here to sell investments to me. He has a perfectly wonderful sales portfolio. His talk is logical and in a measure convincing. He goes to such pains to prove every point he makes that I sometimes feel uncomfortable. It seems as though he is proving that I am a blamed old fool if I don't buy from him. And no man alive can make me feel that way and get my business. I am just that human that I would rather buy from a man who makes me feel a little more comfortable, who isn't so infernally scientific and precise.

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Now, please, men, do not think for a moment that I am disparaging the value of knowing your business, of having the facts, and of using all the material we send you. All of it is important and helpful. But it is only so good as the genuine desire to help your customers, the sincerity, friend-liness and plain old-fashioned warmth of cordiality you put behind it.

The year 1928 is nearly over. It is scarcely possible that I will be able to see many of you before the end of the year. So I am going to take this method of wishing you a successful close of the year. I hope this has been your best year, and that 1929 will be even better.

DUR-O-LITE AMBER-JACK

PUSH-N-PULL

\$1.00 List

The Christmas Gift that makes friends for the whole New Year!

Here's the gift that is appreciated day in and day out—and almost every hour of the day: Amber-Jack!

Features possessed by no other pencil, beauty of finish and perfection of balance that make a gift worthy of the most particular giver—all combined in a dollar pencil!

Loads at either end of the tip; "Push-N-Pull" action draws leads in, pushes them out; *locked* lead chamber; precision-mechanism that holds leads without jiggle, that won't clog or jam, that won't break.

Send the coupon for prices and quantity discounts, with or without imprinting. Let Amber-Jack make lasting friends for you.



THE AMBER-JACK

AMBER-JACK
You fishermen who have whipped the blue waters of Florida and the sparkling Gulf, know the amber shean of this gamey fighter. An aristocrat of the deep, worthy in his strength and grace and beauty to give his name to this equally beautiful pencil.

7 DUR-O-LITE FEATURES

- Push-N-Pull-Lead is protected when not in use.

 Loads from either end of tip.

 June 1987
 - Unbreakable Dur-O-Lite Barrel. Drop it on a cement floor —it won't break.
 - Simplest of all propel and repel mechanisms. Remove tip from pencil body and see for yourself.
 - All metal to metal contact. No binding.
 - Locked lead chamber—another exclusive feature—you can't spill the leads when you pull off the cap to erase.
 - Exclusive Dur-O-Lite colors and designs; octagon and decagon (8 and 10 side).

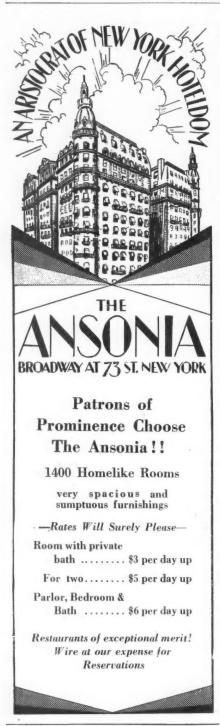




Dur-O-Lite Pencil Company 4541 Ravenswood Ave. Chicago, Illinois

Eastern Office: 74 Broadway, New York City
THIS COUPON FOR YOUR CONVENIENCE

DUR-O-LITE PENCIL CO.,
4541 Ravenswood Avenue, Chicago.
Please send us complete information on Dur-O-Lite Pencils as a help to sales organizations at Christmas.
Name
Address
City State



"A Gigantic Workshop With Sky for a Roof"

THE BEAUMONT TRADE TERRITORY

Monthly Industrial Payrolls

\$7,000,000.00

Covered Only by

BEAUMONT ENTERPRISE
THE BEAUMONT JOURNAL
Ask Beckwith—He Knows

New Sales Problems Created by Montgomery Ward Chain Stores

(Continued from page 477)

ers and, therefore, already have established a good will and broad understanding ready to be capitalized on the opening of a local store as we have. People who observe the rapidity with which we are opening stores perhaps do not recognize this fact. From the outside it may look easy to open these stores and make them immediately successful. In reality the people have a broad understanding of our method of doing business; they know we will do what we say we will do and that our representations are conservative.

Openings Draw Huge Crowds

"The day we opened our first chain store at Marysville, Kansas, which had a population of 4,200, at least 6,000 persons entered the store. Our opening at Plymouth, Indiana, was attended by 8,000 persons—only a thousand or two fewer than the total population of Plymouth. Again, Kalamazoo, Michigan, has a population of 48,000. Our store there, on its opening received 38,000 mests

ing, received 38,000 guests.
"Here is what has happened on each opening of one of our chain stores: the town has been jammed with country people—by far the larger part of them comparative strangers in that town, coming from a zone beyond that from which the town has been accustomed to draw its trade. What has been the unfailing result so far as the independent merchants were concerned? They have realized an overflow volume of trade generally exceeding their highwater records; they have sold goods to these strangers from beyond their trade frontier, goods which these visitors did not find in our stock-and goods which they wished to carry home with them in their automobiles.

"Our typical chain store carries about three thousand items in stock or about one-tenth the number listed in our catalogue. The emphasis of the chain store stock is on what we term our high-ticket items. Our furniture department, for example, is our largest department and this is strongly represented in our chain stores. Most purchases of furniture run into quite a bit of money from the viewpoint of the average customer. When a housewife wishes to buy a set of furniture, amounting to anywhere from \$125 to \$300, she usually prefers to make her selection from the goods themselves rather than from the illustrations and detailed description in a catalogueeven though she has complete faith in the house sending out the catalogue. She wishes to be able to make direct visual comparisons. The same is true of many other kinds of merchandise in which the investment amounts to quite a sum. Therefore our chain stores run strong on our high-ticket items.

"The security of the independent merchant in the town containing one of our chain stores lies in the fact that our stock, as I have indicated, does not include all lines of merchandise and that our store brings in many customers from an extended trade radius. We never issue fewer than 20,000 direct mail invitations to a chain store opening—and the number sent out is sometimes as high as 50,000—covering a radius of thirty to fifty miles.

Regarding the relation of our chain stores to our mail-order business, the whole story is told in the statement that 12 to 20 per cent of our chain store customers leave mail-orders at the store, where there is a competent catalogue specialist to take orders. Our mail-order business has not decreased in any territory served by one of our chain stores and in some such territories it has materially increased. The reason for this is not difficult to under-The store customer sees an article in stock which suggests something not in stock that is desired. The order for it is taken on the spot and the goods are sent by mail from our nearest warehouse."

Buying Policies

Asked how about buying plans and policies for the chain store, Mr. Everitt answered:

"Because volume is the big objective in buying and brings large advantages in lowered costs, our buying will continue to be done, so far as possible, as if we had only one outlet, the mailorder catalogue, instead of a rapidly growing chain of retail stores. But the actual operation of these stores is exerting a strong and interesting effect upon our buying. This result is a closer adaptation of our merchandise to localized community demand than has been possible under buying for exclusive catalogue sales.

"It is the duty of every one of our store managers faithfully and fully to report to headquarters, from his conversational contacts with customers, just where our stocks are failing to meet the requirements of each locality.

"Regarding our plans and policies as they affect personnel, we are obviously building retail buying personnel into our company just as we are building chain store personnel for retail buyers of all sorts. The major buying offices are adding to their staffs retail experts, people who are in the market all the time instead of semi-annually. Formerly our buyers were tied to the catalogue. They selected merchandise for the various catalogues and contracted for a six months' supply. Later they reordered or sold the overstocks to jobbers. We had but the two big books a year. Now that is all changed.

We are in the market all the time. We are not restricted to buying merchandise which must absolutely fit the catalogue description. Formerly, if the catalogue said a dress was red with pink trimming, it had to be red with pink trimming. In our chain stores we can sell it if it is pink with red trimming. Odds and ends of material formerly could not be used to make merchandise for us when we sold entirely by catalogue. Now these lots of material may be made into perfect articles for sale in our chain stores. Thus we can sell a great variety of suits of all styles and fabrics which we do not catalogue."

Nationally Advertised Goods

"And what," I asked, "is your general attitude towards nationally advertised goods?"

"I'm not prejudiced against them," smilingly answered Mr. Everitt. "The perusal of our catalogue will prove this statement, for it contains many nationally advertised items. Such goods undoubtedly have the virtue of a degree of established public acceptance. We have long been the largest customer of more than one manufacturer of such goods, buying more of them

than any jobber.

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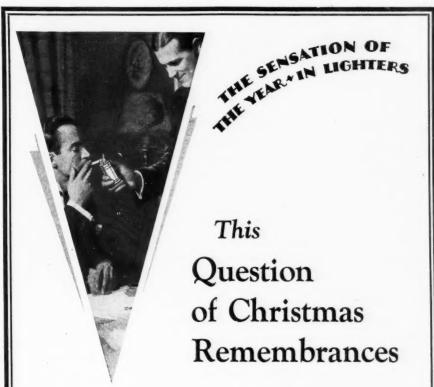
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"But many manufacturers of nationally advertised goods have not cared to sell mail-order houses generally: Of course this comes from two causes: first, the protective attitude of the jobbers and independent retailers—an attitude which has been quite natural, not to say inevitable. However, more nationally advertised goods are today being sold by Montgomery Ward & Company than ever before, and their volume is bound to increase greatly, in my opinion. The second reason why many valuable sources of supply have leaned away from selling mail-order houses is found in the fact that there are numerous fly-by-night mail-order companies, of comparatively recent origin, whose methods and merchandise have so tainted the term 'mailorder goods' that many manufacturers (Continued on page 528)



VERY year it perplexes sales executives—this question of what to give for Christmas. To the "boys" on the firing line. To the important customer. To district and branch managers. VESTER, the smart, modern Table Lighter, answers this question. It is new . . .

always in sight on table or desk constantly in use because it renders a real service, eliminates matches in home and office. Positive in operation—distinctive in appearance—holds thousands of lights within its 3-inch barrel. Write for full information. State quantity required.

VESTER is available in fifteen different finishes in gold and silver plated combinations . . . leathers . . . enamels . . "Lincoln gold" for the executive desk



\$7.50 and \$10 Standard Retail Prices



CSTEP TABLE LIGHTER

SNAPDRAGON—a smaller, less ornate model embodying the same mechanical perfection and identically the same working perter.

At \$5.00 Retail

ALFRED VESTER SONS, Inc.

5 Mason Street

Providence, R. I.



O HAT DO THE WHOLESALERS WANT? In an effort to guide manufacturers in formulating sales policies that will help wholesalers, this magazine recently sent five men to call on many of the major wholesalers in all parts of the country. Our representatives asked the wholesalers to tell us what manufacturing sales policies pleased them; what methods, used by manufacturers, helped them most. The replies have been generally disappointing. Some wholesalers have asked for more specialty men. Others have bitterly criticized manufacturers for using so many specialty men. Some have demanded exclusive sales rights; others have said exclusive rights meant little to them. Some have urged more advertising; others have ridiculed advertising. What is a manufacturer to do under such circumstances? While the wholesalers are holding meetings and appointing committees it would be well for them to give more thought to constructive work with the manufacturers, instead of demanding higher margins and bemoaning their inability to make a profit. Some of the wholesalers described policies which, if adopted by the manufacturers, would literally crush the whole distribution scheme. We had no idea that some important wholesalers had so many faulty conceptions of today's distribution problems, although we have been calling on and working with wholesalers for fifteen years. The wholesaler cannot have the world with a fence around it; yet reports from our investigations indicate many wholesalers want nothing less.

~ ~

PEECHES WILL NOT RAISE THE MONEY, MR. CROWLEY: Addressing the members of the Electric Association, P. E. (Pull Eighty Cars) Crowley, able head of the New York Central lines, said: "The railroads have a serious problem to confront by reason of factors tending to cut their operating revenues." He stressed the need of a good credit standing for the railroads to raise money through the sale of securities. This is corroboration from high authority of the statements made by Henry J. Wright, in an article in the October 13, 1928, issue of this magazine, in which it was pointed out that the railroads have a wonderfully effective and interesting story to tell the shipping, traveling and investing public of America. As Mr. Wright said, this story can be told effectively only through paid advertising in popular media. The public must understand and appreciate the needs and difficulties of the railroads. Nothing short of a cooperative advertising campaign, participated in by all the major roads, can accomplish this task of building up a sound and thorough appreciation of the railroad's part in prosperity and of their need for

greater revenues. Other branches of public service have resorted to paid advertising with brilliant success. A few individual roads have been as successful in their efforts to inform the general public through advertising. One or two leaders of Mr. Crowley's calibre could persuade the railroads to join hands in such a campaign. Although there is a vast difference of opinion among railroad heads, and many roads have widely diversified problems, this one problem of security selling-of building up a great reservoir of capital which can be drawn on quickly and inexpensively—is almost universal among the roads of this country. Let the railroads solve their individual problems individually, but isn't it better to attack a common problem cooperatively? Who will be the first of the great railroad executives to recognize that speeches at banquets, no matter how true or how forceful, will not give the general public the information it must have before it is willing, first to provide adequate rates, and second to provide adequate financing for the huge expansion programs which must be entered into by the railroads? The public is waiting to be told. It has proved its willingness to learn. The message is ready. The media are at hand. It is the railroads' next move.

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HE BIGGEST THING IN BUSINESS: Calling him a "reluctant meat server," some publications have bantered Mr. Childs concerning his intense, but unsuccessful, effort to persuade his customers to eat only vegetables. Back of this courageous effort is perhaps the reason for his success. Disgusted with poor food served in restaurants he patronized, Mr. Childs entered the restaurant business urged on by a passion to provide pure food at low prices. He used many of his mother's recipes. He believed in those recipes. Some of his great zeal for better food was transmitted to others who worked with him. J. L. Kraft, who built the largest cheese business in the world, had a similar passion to provide the world with cleaner, better cheese. The chief motive behind the elder Morgan's interest in steel was not mere money-making, but an intense desire to regulate and stabilize a fundamental industry, to eliminate the violent and destructive fluctuations which held back the industry. Such men are urged on by a motive bigger than mere money-making. This important consideration may have been overlooked in the organization of some of the present-day ready-made chains of stores, and perhaps in some of the banker-controlled enterprises purchased from strong men who built them because they were urged on by high motives. While there can be no quarrel with moneymaking as a motive, is it enough to make men take off their coats and fight to build a business, as they did for some of the founders of our great enterprises? Some of these recently founded chains of stores were conceived, organized and promoted with money-making as the sole motive. Can they win and hold the loyalty and cooperation of their men? Are they providing a (III) motive good enough to fight for? We wonder.

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Davings in excess of the cost of sound service are genuine profits

THE BLACKMAN COMPANY ADVERTISING

120 West Forty Second Street, New York

September 24, 1928

Mr. J. B. Keeney, Manager, Qualitative Analysis of Media, 420 Lexington Avenue, New York City.

Dear Mr. Keeney:

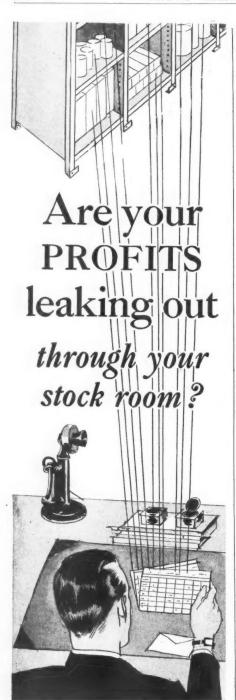
meny hours by using your Qualitative Analysis of Media. I think I am safe in saying that Our Media Department has saved or media. I think I am sale in saying that they have already saved more than the cost of the service.

many people buy a publication. Your service tells it quickly and graphically. tells it quickly and graphically.

success and hope that you will continue to extend your service. It is sound and very We sincerely wish you every much needed.

FJH:MG

MAGAZINE - NEWSPAPER - OUTDOOR - STREET CAR - RADIO



OVERSTOCKS of slow-moving merchandise cost money to carry. Understocks of rapid sellers may cost customers. "Y and E" stock records give a clear picture of stocks at all times. We have ready-made forms for most businesses—or quickly design special record cards. Phone the "Yand E" store or write us.

YAWMANAND FRBE MFG. O.

1153 JAY ST., ROCHESTER, N.Y. Canada: The Office Specialty Mfg. Co., Ltd., Newmarket, Ont.



Campaigns to Be Launched in Industrial Markets

(Continued from page 488)

attempt to organize company clubs as clearing house for purchases. Realizing that many large companies issue their own house organs which circulate among employes, it was felt that a satisfactory number of companies could be induced to devote editorial space to the plan in their employes' house organs. And to assist in putting the idea over, the Marlo company proposed to print attractive single slip sheets in several standard sizes to be slipped in house organs by the companies that issued them. These sheets were to be furnished free of charge and in such quantities as might be desired. The data on the sheets supplied information attractively compiled and pictured regarding Marlo bicycles and motorcycles, and stressed the convenience of riding to

Poster Service

In addition to this form of publicity, posters were printed illustrating a workman riding to the job. Such posters played up the healthy outdoor atmosphere and drew comparison between walking and the crowded street car. For example, a typical sheet pictured a workman on a wheel passing a group of walkers and waving his hand. The broad smile on his face showed that he was enjoying the trip. The headlines at the top further carried out the idea, as, for instance:

"Ride to work and start the job refreshed; nothing beats riding to work."

The ultimate destination for such posters were plant bulletin boards and other locations about the shop or factory where they would be read. Naturally any company interested in the movement could have a supply for the asking

In making their industrial survey the Marlo Cycle Company discovered that industry as a whole offers a maximum sales objective of approximately 115,000 worth-while units. These 115,000 units represent more than 95 per cent of the production and income of all industry and among them is found the bulk of wage-earners.

For instance, manufacturing was classed in two ways:

Class A prospects, employing over fifty workers—28,842 units. Such plants produce 78.3 per cent of all manufacturing prospects.

Class B prospects, employing from

twenty-one to fifty workers—25,379

As leading industrial publications offered a channel of approach to these worth-while units it was obvious that the right campaign would reach those organizations employing the bulk of labor.

The company had their choice of two classes of industrial papers:

Those cutting a horizontal path through many industries.

Those running vertically through specific industries.

Both classes were used and among the vertical industries selected for intensive cultivation was the metalworking field where thousands of workers are often employed by a sin-

gle plant.

The theme of the advertising copy was educational and sold an idea rather than a product. In this copy the club idea was featured and such points were stressed as getting labor to its task on time. There was no beating around the bush. Companies were urged to place before their workers, through their house organs, the Marlo poster service, welfare organizations, etc., the advantages of cycle riding as a means of transportation. The copy also sold the club idea and explained how such clubs could be organized, making it possible for workers to save money through quantity orders.

Sales Force Busy

In the meantime, the Marlo sales force was not idle. Under the leadership of an active sales manager the crew was called in and instructed in the details of the new plan. At the beginning certain key plants were selected and turned over to individual salesmen for intensive cultivation. It was pointed out that work must be done in the field to get the idea over and that the program of industrial advertising stood solidly behind each salesman.

The prevailing system of distribution was largely through exclusive dealers or carefully selected agents who handled the Marlo line, and to protect these agents an arrangement of dealer credit for territorial sales was worked out. The company could not afford to lose the good will of its agents and, as is customary, was willing to absorb any "loss" to insure dealer protection. In centers where

one dealer was appointed as an exclusive agent for the line, the matter was a simple one of giving him credit for any sales made direct by the company in his territory. Where a number of dealers were handling the line a common-sense arrangement was worked out. Dealer benefits from bulk sales secured by the new plan were split among them.

Of course the Marlo company took their dealers into the picture and urged them to canvass industry thoroughly in their respective territories. This was accomplished by letters, personal calls on dealers by company salesmen and advertising in dealer papers.

Supplementary Campaign

It has been explained that a general consumer medium fitted into the picture as supplementary to the main industrial drive. The Marlo Cycle Company was a familiar name in a large popular general medium, and here a portion of the schedule was devoted for a period, while the major campaign was getting under way, to stressing the advantages of riding Marlo bicycles and motorcycles to work. By a change occasionally in the style of copy and some additional space for a short time, this form of advertising was used to add its weight at the start of the drive.

The bicycle craze of the "gay nineties" had long since passed. Aunt Emma no longer kicks up the dust of the open highway, but the day of the wheel still lives in another form and for another purpose.

The Marlo Cycle Company believe that they have found a way to link their product with industry and to expand, in an organized manner, a market in which sales are already being made. Their proposed program gets industrial organizations behind the sale of bicycles and lifts the buying out of mere individual purchases. There is every reason to agree with them in the belief that their new program of industrial selling is sound and that it will show results.

In the article entitled "Harvard's Case Study Plan and What It Means to American Business," which appeared in SALES MANAGEMENT for November 10, 1928, it was erroneously stated that the price of the Harvard Business Reports is \$5.00 a volume. This statement should have read \$7.50 a volume.

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Gifford Wood has been appointed advertising manager, for all publications of the Dodge Corporation, New York City, a new position. Mr. Wood has been chief of the special service department of Architectural Record.

Why Advertising Agencies Recommend "NEWS Exclusive in Indianapolis"

OVER 86 per cent coverage of all Indianapolis and Marion County families daily . . . remarkably thorough coverage throughout the entire 70-mile Indianapolis Radius advertising prestige and responsiveness obtainable from no other source.

These are logical reasons why The INDIANAPOLIS NEWS is recommended by advertising agencies as the *one* medium for a concentrated advertising schedule in this great market of 2,000,000 prosperous people.

In some cities it is essential to use two, three or even more newspapers to obtain an adequate coverage of families. In Indianapolis, an *exclusive* schedule in The NEWS accomplishes maximum results at minimum cost!



An organization providing a complete service in Outdoor advertising through advertising agencies

NATIONAL OUTDOOR ADVERTISING BUREAU

NEW YORK CHICAGO DETROIT

Our product will help to sell your product

The U.S. Printing & Lithograph Co.

COLOR PRINTING HEADQUARTERS
Cincinnati Brooklyn Baltimore

Let our nearest office solve your color printing problem



HE MOST UNKINDEST CUT OF ALL

was not said of a LOWRY STOCK CUT

These bright, cheerful little cartoons give your article a good running start.

Catalogue on Request

CORPORATION
75 E. Wacker Drive Chicago, Ill.

83,422 People in
Harrisburg, Pa.—
225,000 in the
Retail Trading
Area—that's
some market!
45,000 circulation
at 11c a line is an
adequate, economical
newspaper coverage

HARRISBURG TELEGRAPH

Central Pennsylvania's Greatest Daily

STORY, BROOKS & FINLEY

New York - Chicago

Philadelphia

BIGELOW,
KENT,
WILLARD
& CO., Inc.

Consulting Engineers

Merchandising

Counselors

Park Square Building BOSTON, MASSACHUSETTS

A record of the Proceedings of the Merchandising Conference, held under our auspices at Boston, in August, will shortly be available to loan to company officials. A request will place your name on the list to receive a copy, to be returned to us in ten days.

Pot Shots at Some of Advertising's Sacred Cows

(Continued from page 483)

material universe through the medium of experiment. The laws of nature and the principles of natural science were held to be laws and principles adhering to a single force or condition precedent to the facts, which had revealed itself through the Holy Scriptures and the works of the Fathers. With this force or condition the facts could by no means conflict, and experiment was hence quite useless or downright perilous.

In Vise of a False Premise

Nobody needs to be told, of course, how fantastic the resulting notion of the material universe really was. But it held men's minds for centuries, and it took the Renaissance and the Reformation to break it down. During the whole period, of course, there were not wanting many men with the true scientific temper (the temper of fruitful experiment), but they were held firmly one and all in the vise of what was at bottom a false premise.

Certain I do not mean to imply that the cases of advertising and mediaeval natural science are parallel, or more than remotely analogous. But much of our thinking about advertising (especially in the domain of expression) is directly analogous. It is similarly based upon a false premise of laws and principles adhering to a force or condition precedent to the facts, to which laws and principles any new facts must conform. Those laws and principles are to be deduced have been deduced, as a matter of fact -by reference to past experience in advertising. Experiment is assumed to be dangerous or useless, because any fact that conflicts with the "principles" cannot be a true fact; that is to say, it will not prove successful. The schoolmen of the Middle Ages said that any fact conflicting with their principles was false, or an emanation from the devil; we say today that any fact in conflict with the "principles of advertising" will prove unprofitable. That is the main differ-

All that I am insisting upon, of course, is that the process of thought is the same in both cases, and that it is essentially scholastic. It is the familiar process, sometimes referred to as "thinking back upon itself"; drawing an abstraction from certain facts, and turning the same abstraction back to govern the facts. And in both

cases the results are of the same import: to check fruitful experiment and to prevent new facts from disclosing themselves.

It can be boldly stated that there are no "principles of advertising" or "laws of advertising" or "basic fun-damentals of advertising." In no sense of reality is advertising what a philosopher would call a pre-existent entity, determining certain results and requiring them to obey. It is merely a convenient name for the results themselves, and we are only pretending when we say that we are conforming to an antecedent force that brings about the results. Undoubtedly there may be principles, and possibly there are laws, to which advertising men can refer with confidence, but they are not principles or laws of advertising. Rather they are such laws and principles as govern the facts of human response to the literary and pictorial expression of ideas. They rest rather obviously upon broader evidence than may be discovered in the experience of a few decades of

A World of Make-Believe

No doubt it seems a shocking thing to say that advertising men are living largely in a world of make-believe and are addressing a public which does not exist. Yet there is warrant for both statements in the general acceptance of the mode of thinking above outlined. For behold what happens when you adopt the premise that advertising is a "force" or a condition, final and complete in itself, that simply functions or is directed to bring about certain results. The only facts of human response that are of value are the facts of human response to advertising. Human response aside from advertising is irrelevant. And the collection of appeals that in the past have proved successful, with the collection of formulas that in the past have been accepted, represent the sum total of pertinent facts in the field of investigation.

Similarly with respect to the public, the only facts that are of value are the facts of its response to this same past advertising. Other facts, if not wholly irrelevant, are useful only by way of analogy. "The public" that we address becomes a public defined almost wholly in terms of the advertising that was written yesterday of

years ago, and the characteristics of future advertising tend to become fixed in relation to this purely abstract and hypothetical public. It thus be-comes difficult in the extreme to experiment with new appeals or new formulas, or to discover new facts, because any adventure of the sort stamps itself immediately as outside the field of public response. Fresh facts and new formulas do not come in the "original package," so to speak, and are not the authentic article. The public, according to hypothesis, will fail to understand them.

It is much the same as if John Galsworthy, in place of observing life at first hand, were constrained to study exclusively best-selling novels; or the creative ability of Eugene O'Neill were limited according to the standards set

up by "Abie's Irish Rose."
The restrictions and limitations which tend to check the creative ability of advertising writers are largely the product of this mode of thinking which I have tried, perhaps tediously, to illustrate. Having set up our abstraction or hypothesis, we thereupon regard it as a fulguration of absolute truth, to which the facts must of necessity conform. The facts, however, are under no obligation to do anything of the sort.

(The next article will discuss the abstract conception or estimate of the "public intelligence" on which most of these restrictions and limitations

ultimately are based.)

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Boston Sales Managers Outline Objectives

"Salesmanagementalethics" is the title of a code of work adopted recently by the Sales Managers' Club of the Boston Chamber of Commerce. The

code points out: That the club exists for business benefit.

That experience is the best teacher in solving sales problems.

That we regard our profession with

That through research and study we develop better methods of merchandising and share them.

That where, through misfortune or changes in business, a member of our club finds himself without employment, it will be the endeavor of every member of the club to find him suitable employment.

That we approach selling in a scientific manner.

That we endeavor to build a strongly knit merchandising force within the Sales Managers' Club.

That we help our fellow member in his problems.

NO BUSINESS MAN CAN IGNORE

The incredible recent shifts in the industrial world around us—the effect of changing fashions, of new inventions, of fresh technique

> WHICH ARE DISCUSSED BY A FAMOUS ADVERTISING MAN IN

BUSINESS THE CIVILIZER

The New Book ByEARNEST **ELMO** CALKINS

NDUSTRIES that seem stable one year have to fight for existence the next. Rayon makes the silk manufacturers look to their laurels; electric refrigerators stir the ice industry to action; lacquer brings the paint men up against the problem of existence.

What will YOU do if YOUR industry is confronted by a similar problem? You will find many helpful suggestions in this book by a man who has spent a lifetime in preparing sales plans for some of our greatest industries.

With 38 illustrations. \$3.00 at all Booksellers

Boston

LITTLE, BROWN & COMPANY

Publishers

The right product markets and competition sales methods -and then Advertising DORRANCE, SULLIVAN & COMPANY, Inc. A D V E R T I S I N G 130 WEST 42ND STREET, NEW YORK

The Taxi Weekly

Covers the Whole Cab Industry New York Edition goes to 10,000 taxicab individual, fleet and company operators. Issued Mondays. National Edition goes to 4,000 fleet and company operators throughout the U. S. I gued Mondays. Published in Its Own Printing Plant at 54 West 74th Street—New York City

Extra Copies

If you want extra copies of this issue please order promptly as our supply is frequently exhausted a week after date of issue.



Advertisers a NEW rate in ROCHESTER

YOU now have the advantage of an optional daily combination rate of 40 cents per line on contracts of 1,000 lines or more within one year. Same copy must appear in both editions within the calendar week. Combined daily circulation 166,651.

ROCHESTER TIMES-UNION

and

DEMOCRAT & CHRONICLE

Rochester, New York Member of The 100,000 Group of American Cities, Inc.

one of the

GANNETT NEWSPAPERS

Rochester Times-Union Rochester Democrat & Chronicle Albany Knickerbocker Press Utica Observer-Dispatch 17 Elmira Star-Gazette-Advertiser * Elmira Sunday Telegram * Ithaca Journal-News 1 Newburgh-Bea-con News 1 Olean Herald 1 Ogdensburg Republican-Journal 1 Hartford, Conn., Times 1 Plainfield, N. J., Courier-News.

- THE BUSY LIFEof WILKES-BARRE, PENNA.

Focused in Wyoming Valley's greatest home newspaper. Established in the third populated center of the second most popu-lated state in the United States.

WILKES-BARRE TIMES - LEADER

Covers a ten-mile radius of greatest wealth in the Anthracite region. Ideal for try-out work, as well as maintenance campaigns.

TIMES LEADER

Published each weekday afternoon at 44-48 West Market St., Wilkes-Barre, Pa. STORY, BROOKS & FINLEY

Special Representatives: New York, Philadel-phia, Chicago, Los Angeles, San Francisco

If You Want Repeat Orders Everybody Must Help Sell

(Continued from page 479)

most salable goods possible to make. There is no doubt that this general plan can be just as effectively employed in practically any other line of business. In another case, a similar effort was made in behalf of a manufacturer of ventilating systems. It was a smaller organization, and the problem of getting the workers together and of inducing them to think along the same lines was a much simpler

As in the experience of the cereal manufacturer, the results not only produced larger sales, but complaints and returned goods, and all of the detrimental and expensive reactions, due to organization mistakes, dwindled rap-

Engraving Company

Of course, some lines of business offer special problems in this educa-tional work, but there appears to be no line of manufacture in which every employe cannot be educated to contribute to the selling influence of the merchandise and service. Photo-engraving would appear to offer many intricate problems, but a large engraving house found that it was possible, not only to give all of its workers an understanding of the selling factors of the business, but also to carry the work further and educate them in an understanding of the advertising which created the demand for their goods. They were shown how and why the salesmen sold engravings, and the fact was finally proved to them that their goods sold simply because of the final use of the product in selling merchandise of many kinds. Therefore, they were shown that it was not capital which paid their salaries, that it was the purchasers of the goods advertised by means of engravings who furnished the money for the pay roll, and that it was the consuming public which really kept them employed.

When these facts were finally understood by all of the workers in the plant, the first result noticed was a marked improvement in the quality of the product. Before the educational campaign the quality had varied. For this reason, it was impossible to hold most of the accounts on the books over long periods. But after the educational work, within nine months approximately 95 per cent of the accounts lost during the preceding five years, due to defects of engravings and serv-

ice, were re-established.

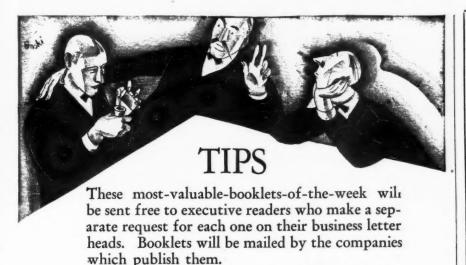
Strange to say, many manufacturers are attempting to sell their merchandise in remote territories in which it is next to impossible to build up profitable volume, and are utilizing many fine-spun plans and theories to build up their business, while they overlook probably the greatest potential development that it is possible to find. In reaching out to the green fields, they forget the tremendous selling power of their own organizations.

Educational work of the kind is a fundamental proposition. Not only does it mean the improvement of sales and the holding of accounts, but it inspires all workers to work for a common purpose. In many instances a clearer understanding of the simple facts of selling will transform the monotonous repetition of mechanical operations to a work of dignity for the operator. No matter how mean or unimportant a task is to a casual observer, when the worker is shown that by doing it well he can contribute worthily to the ultimate result which earns his pay, he will take a new interest in his work, and in the vast majority of instances he will take pains not to permit any deficiency on his part to destroy the confidence of the consumer in his product, the organization and its service. And because of its effect on the individual workers, there is hardly another effort that will pay the manufacturer more satisfactory dividends on the time and expense required than an intelligently presented educational campaign that includes every employe on the pay roll.

RCA to Erect Radio Transmitters in China

Two radio transmitters and three receivers will be erected for the Nanking National Government near Shanghai, China, by the Radio Corporation of America, David Sarnoff, vice-president and general manager of the RCA, announced this week.

Under the terms of the contract the RCA will manufacture the equipment in the United States and supervise its erection in Shanghai. The consideration will be approximately \$200,000. The RCA of Argentine and the RCA of Brazil have just been formed as subsidiaries of the Radio Corporation of America and will act as agents for the corporation in their respective territories.



Address Sales Management, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

Direct Mail

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How—Why—When—Where? This is a beautiful and an interesting book on direct mail selling contrasted with direct mail advertising, as practiced by the Dickie-Raymond Company.

Sell More with Strathmore. Of all the good promotion pieces turned out by this paper manufacturer "Sell More" strikes us as being quite the best. It tackles the direct-mail advertising problem from the point of view of results—not from appearance or first cost. It reduces the "psychology" of paper to everyday working clothes, gives valuable demonstrations on how to get results and includes, in a pocket in the back, eight suggestion pieces.

Parisian and Goudytype Advance Showings. Two new type creations of the American Type Founders Company designed especially for advertising use.

Inspirations from Color. Every man interested in direct mail advertising ought to get on the mailing list of these West Virginia Paper Company monthly booklets. This one gives outstanding examples of the answers to many color problems—economical use of color—color for attention compelling—color to get dramatic action, etc.

Increasing Sales Efficiency

Applied Advertising and Marketing. Alert marketing executives are giving increasing attention to the younger generation. Parker Pen is outstanding in this regard. This booklet is an annual which they distribute to classes in commerce. Since 1923 more than 100 colleges and universities have made required class work of this analysis of Parker campaigns.

Jam Handy Pocket Explainer. This

booklet describes the uses for a complete projecting machine which is compact enough to go in the salesman's pocket; a picture show for daylight use. The booklet is especially distinctive in that it is cut to the exact size and shape of the product it illustrates, thus making doubly impressive the statement that it is a motion picture machine which will slip in the pocket.

Expert Testimony from Qualified Witnesses. There was once a time when the use of premiums in merchandising was frowned upon as being undignified, but now many of the leaders in almost every type of resale product use them to influence consumers or to get better cooperation from storekeepers and clerks, or both. This booklet gives the experience of such firms as Lever Brothers, Sheffield Farms, J. B. Williams, International Magazine Company and others.

The Use of Style and Design in Industry. A survey of the general movement to inject beauty into even the most common articles of daily use has been made by the Metropolitan Life Insurance Company and is embodied in this 48-page booklet. It gives the experience and the methods of such companies as Marmon, Towle Manufacturing, General Electric, Gorham, Dennison, American Woolen, Sloane, Printz-Biederman, Armstrong Cork, ABC Washing Machines and ninety others.

Cleveland Business. Those interested in the Cleveland market should get on the mailing list of this Chamber of Commerce publication. It is particularly valuable to the sales manager with one or more salesmen in the Cleveland area because it gives a monthly survey of Cleveland businesses by name.

YONKERS

NEW YORK

HERALD

(EVENING

Serves a rich home district. Enjoys the largest circulation between New York and Albany.

Population..... 110,000

Circulation 14,625 (ABC)

-Representatives-

GEORGE B. DAVID CO., Inc. 110 E. 42nd St. New York, N. Y. 1900 Wrigley Bldg. - Chicago, Ill.

20,273,876 LINES

Carried in 1927

- F TOTAL ADVERTISING
- I NATIONAL ADVERTISING
- R LOCAL ADVERTISING
- S CLASSIFIED
- T ADVERTISING

San Antonio Express san antonio evening news





\$2000 A MONTH

Will be the total cost of sending a first-class house organ, edited by William Feather, to 50,000 customers and prospects. Get estimate for smaller quantities.

Write for samples

The William Feather Company
611 Caxton Building Cleveland, Ohio

ENT

Montgomery Ward Chain Stores

(Continued from page 519)

have shied away from qualifying as sources of mail-order supply. have avoided our mail-order contact for fear that they would become classified as mail-order manufacturers.

"So far as Montgomery Ward & Company are concerned, we have increasing and daily evidence that the attitude of the leading manufacturers of nationally advertised products is undergoing a rapid and decisive change. They have come to see us for what we really are: a great national distributing organization covering the entire country not only with millons of catalogues which have earned, over a period of more than half a century, the unqualified confidence of a nation-wide buying public but also as the operators of a chain of carefully planned and conducted retail stores now almost two hundred in number, and every one of them successful-with about thirteen hundred more of them to be added to this great retail distribution network. In other words, manufacturers are looking at the immediate future of this company as a distributing agency; they are counting the retail stores that will be added to our system and they are making overtures to get in on the ground floor. They frankly admit that the reputation of their nationally advertised products will not suffer in the mind of the consuming public generally by the fact that we have done a mail-order business for fifty-six years and transacted it according to the strictest and highest code of merchandising done in this country.'

(The conclusion to this article will appear in the next issue of SALES MANAGEMENT.)

The heirs of the late Henry Holt, founder of Henry Holt & Company, publishers, New York City, have sold their controlling interest to the minority stockholders.

Edward M. Bristol is expected to continue as president. Others associated with him in the purchase were Horace G. Butler, vice-president; R. H. Thornton, secretary; Herbert G. Bristol, treasurer, and W. G. Shirer, a di-

The John Bean Manufacturing Company of San Francisco, as a result of a recent consolidation with Anderson-Barngrover Company, will expand soon into Eastern territory. J. D. Crummey, president of the consolidated organization, is now in the East with Paul Davies, formerly of the American Trust Company and now vice-president of the Bean company.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection, and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service, of recognized standing and reputation, through which preliminartes are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements; your identity covered and present position protected. Established seventeen years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

AN OHIO MANUFACTURER OF PLUMBING Supplies wants a man to investigate, develop and assist in the execution of a marketing plan. No one who has not had actual selling experience should apply. This is an exceptional opportunity for a person interested in establishing a permanent connection. In applying state age, education, experience in detail and submit references. Box 199, Sales Management and Advertisers' Weekly, Graybar Building, New York.

THROUGH THE CLASSIFIED COLUMNS OF this magazine sales executives wishing a position can reach owners and ranking executives of the leading concerns in every line of business. 50 cents per line of seven words; minimum charge \$3.00, subsequent consecutive insertions same advertisement, 25 cents per line.

DISTRIBUTOR WANTED

We have developed an entirely new and improved principle in fire extinguishers, which requires the extending of our distribution Plan. For years we have been the largest manufacturer in the world of hand portable fire extinguishers. With the additions to our line, we are able to offer a salesman or organization a permanent connection, with ever-increasing sales possibilities. Only a limited number of distributors are required at this time. Write for complete details, stating age, experience, and other qualifications. Fyr-Fyter Company, 1741 Fyr-Fyter Building, Dayton, Ohio.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES DEVELOPED during 28 years for clients by our direct mail plans, copy, campaigns. One product, 1923, an idea, this year \$100,000 orders booked. Fifty-year-old concern desired 50 national representatives in 1925; we produced 40 in three months. 700 dealers in 10 months, at \$3 each, for another. Ten years Sales Promotion Manager, Larkin Co. Submit sales problems for free diagnosis. James C. Johnson, 119 Woodbridge Avenue, Buffalo, New York.

POSITIONS WANTED

SALES PROMOTIONALIST or RESEARCH INvestigator. Position desired with sales promotion or research department of industrial corporation or advertising agency. Ten years' proven ability in preparing market surveys, analyzing market conditions, determining sales outlets, writing sales letters, informational booklets and articles on semi-technical subjects. At present employed with reputable organization but seeking better connection. Aggressive, plenty of personality, accurate, thorough, capable directing work of others. Can organize and develop profitable department. 33 years old, married and university graduate. Address Box 105, Sales Management, Graybar Building, New York, N. Y.

SALES MANAGER with one firm for 20 years calling on production managers of New York City advertising agencies, at liberty to make a new connection. Box No. 106, SALES MANAGEMENT, Graybar Bldg., New York City, N. Y.

EXECUTIVE SEEKS CONNECTION SALES EXECUTIVE SEEKS CONNECTION with reliable manufacturing concern. Is Engineering Administration graduate; experienced in sales engineering, analysis, promotion, administration, marketing and advertising. Age 31. Address Box 1115 Webster Hall, Detroit, Michigan.

Index to Advertisers

PAGE	PAGE
Addressograph Co Cover Ansonia Hotel	May & Malone, Inc
Associated Business Papers	Nat. Outdoor Adv. Bur.523New Orleans Times-Picayune470New York Evening Journal474Newark Evening News506Newspaper Film Corp.491
Breakers Hotel 527 Buffalo News 468	Omaha World-Herald
Chicago American	Qualitative Analysis of Media 521
Denney Pub. Co	Richmond News Leader
Dur-O-Lite Pencil Co 517	San Antonio Express
Feather, William, Co	Simmons-Boardman Pub. Co. 505 Southern Planter 472
Gannett Newspapers526Gibbons, J. J., Ltd.528Good Housekeeping473	Standard Rate & Data Service 514 Taxi Weekly 525 Topics Pub. Co., Inc. 508
Harrisburg Telegraph 524	Ullman, Martin, Studios, Inc 511
Indianapolis News	U. S. Printing & Litho. Co 523
Industrial Dallas, Inc 515	Vester, Alfred, Sons, Inc 519
Kelsey Co	Wilkes-Barre Times-Leader
Los Angeles Evening Herald	Yawman & Erbe Mfg. Co

GIBBONS knows **CANADA** New York Office 2152 Graubar Bldg. Manager for United States Thomas L. Brigos.